

Conservatives Press Reagan to Rebuke Soviet on Arms Treaty

By Michael R. Gordon
New York Times Service

WASHINGTON—Some conservative Republican senators are pressing the Reagan administration to accuse Moscow of a new arms-control violation, the opening salvo in their campaign to block approval of an emerging agreement to ban medium- and short-range missiles.

The senators, most of whom have been consistently critical of President Ronald Reagan's moves to reach arms-control accords with the Russians, have indicated that they would like to use the charge to dramatize their assertion that the Russians cannot be trusted. The latest allegation is that the Soviet Union has violated the 1972 Anti-Ballistic Missile Treaty.

Administration arms-control officials met Friday to discuss the position of the senators and to assess intelligence reports about the issue, which concerns the purported deployment of mobile ABM radars.

The issue is potentially difficult for the administration, which in the past has lodged numerous charges of Soviet violations of arms-control treaties. But the administration is now actively working to ensure that the emerging treaty, once it is signed, will be approved by the Senate.

Secretary of State George P. Shultz and Soviet

leaders are expected to work out final issues on the new treaty when Mr. Shultz visits Moscow next week. The pact is expected to be signed when Mikhail S. Gorbachev visits the United States later this year.

Administration officials say the developments involving the purported ABM radars are of more political than military importance. Government officials are sharply divided about the validity of the charge and some say that it is premature to charge that there has been a breach of the 1972 treaty.

The effort by the senators is being led by Jesse Helms, Republican of North Carolina. He and 19 other senators sent a letter to Mr. Reagan last month asking that the administration provide a report to Congress by December discussing the matter.

"We believe that it would be unwise to sign any new agreement with the Soviet Union until the official report has been sent to Congress on the purported new violation," the letter said.

"This is the opening salvo," said an aide to Mr. Helms, who added that the senator was determined to make the purported violation an issue even if the administration does not submit its report soon.

At issue is the significance of intelligence reports about two old radars that had been seen at an electronics installation near Kiev, in the Ukraine. According to administration officials, some of the conservative senators have privately raised the concern that the radars had been deployed in violation of the ABM treaty, which restricts the testing and deployment of anti-missile systems.

Some arms-control supporters challenge the veracity of the charge and assert that the conservatives are trying to sabotage the new arms agreement and undermine the ABM treaty.

"It is a clear attempt to exaggerate a minor Soviet military program which past administrations have examined and concluded is not a violation," said James P. Rubin, assistant director of the Arms Control Association, a private group.

The debate concerns two types of old, transportable Soviet radars that may be capable of performing anti-missile functions. The two types of radars, which have been dubbed Pawn Shop and Flat Top by intelligence experts, were first observed 15 years ago.

Several have been kept at the Soviet Union's ABM test ranges at Sary-Shagan in Kazakhstan and on the Kamchatka Peninsula in the Soviet Far East.

The Reagan administration has cited these radars as a potential violation of the ABM treaty's ban on the development and deployment of mobile ABM radars. But the administration has also said the evidence is ambiguous.

If the Soviet Union is involved in an effort to build a nationwide missile defense system, it would need hundreds of such transportable radars, or perhaps more, some government officials say. Moreover, the radars at the test ranges are based on old technology, and some officials say a defensive system would require more modern mobile radars.

Last year, the State Department confirmed reports that most of the old radars had been removed or dismantled.

But now the United States has received intelligence reports that one Flat Top and one Pawn Shop radar have resurfaced at the electronics installation near Kiev, administration experts say. This has reopened the issue.

Some officials said the radars appeared to be undergoing a modification and were not operational.

"We know that they are not configured as they were at Sary-Shagan," a government expert said. "We don't know what that means."

Civilian officials at the Pentagon and some hard-liners at the Arms Control and Disarmament Agency are said to be urging the administration to accuse the Russians of violating the ban on mobile ABM radars. Some State Department and other officials are said to take the view that the administration does not have a firm basis to charge the Russians with a violation.

"Nobody knows exactly what is happening," a government expert said. "That's why this whole thing is so premature."

Chaumet Affair Touches French Justice Minister

By Barry James
International Herald Tribune

PARIS—The scandal surrounding Chaumet & Compagnie, the high society jeweler, touched the French government Tuesday, with the Justice Minister, Alain Chalon, starting a libel action against Le Monde for accusing him of keeping a secret cash account with the bankrupt Parisian firm.

Le Monde said Chaumet had acted as an illegal banker, taking money from clients under the pretext of fictitious jewelry transactions and enabling them to evade taxes and, possibly, to export capital illegally. The newspaper also quoted a senior but unidentified magistrate as saying some accounts may have been used in cash laundering operations.

Mr. Chalon dismissed the allegation that he kept a secret account with Chaumet as a "political maneuver" orchestrated by his Socialist opponents.

In interviews with the newspapers Le Figaro, France-Soir and Liberation, Mr. Chalon acknowledged that since 1972 he had an account with Chaumet on which interest was paid. But he said this was connected with the buying and selling of jewelry, and that all interest had been correctly declared to the tax authorities.

Le Monde, in a subsequent story, said that Mr. Chalon's declarations served to substantiate its allegation against him.

The newspaper said Mr. Chalon not only had concealed his relationship with the company but that his double role as justice minister and creditor had created a conflict of interest.

Jacques and Pierre Chaumet, the brothers who formerly controlled the jewelry company on the Place Vendôme, filed for bankruptcy on June 11 with debts of about 1.8 billion francs (\$300 million).

They were jailed two days later on charges of fraud and breach of trust, and on Monday they were ordered held for a further two months while investigations continue. The charges were connected with the alleged use of creditors' assets for financial speculation and to conceal the company's bankruptcy.



Albin Chalandon, the French minister of justice.

He is judge, as titular head of the department in charge of investigating the Chaumet brothers, and plaintiff in his position of a private person seeking to recover the unpaid amount of his credit, estimated at 6.3 million francs, it said.

Citing documents seized at the time of the bankruptcy, Le Monde said the Chaumet brothers had turned the company into a "hidden bank," taking loans from Mr. Chalandon and 73 other people, and paying interest as high as 14 percent. It added the brothers had been acting as bankers to some of their clients since 1982, when they first began having financial difficulties.

A communiqué issued by the Ministry of Justice said the articles in Le Monde followed questions raised in parliament by Edith Cre-

NUCLEAR: Rejection by Pakistan

(Continued from Page 1)

weapon, and the Reagan administration has consistently waived the aid restriction. But a new controversy arose recently following published accounts of private U.S. assessments of Islamabad's nuclear program, statements by top Pakistani scientists and the arrest of a Pakistani in Philadelphia this summer on federal charges of trying to buy a type of steel widely used in nuclear programs.

It is believed that Pakistan has developed most or all of the components of a nuclear device but has not assembled one. India exploded a nuclear device in 1974. Both countries maintain that their nuclear programs are only for peaceful purposes.

Mr. Junjo said he had investigated the Philadelphia case, involving Arshad Pervez, and concluded that "Pakistan had no hand in it at all." He said the steel "which was to be exported to Pakistan" could have been purchased in other countries.

"Why should I go to the United States and create a problem for myself?" Mr. Junjo said. "Common sense says we would not go and create an issue when we are already under a difficult situation." As a result, Mr. Junjo said he and his advisers believed that India

was behind a plan to disrupt U.S. aid to Islamabad. India officials have denied any involvement.

Mr. Junjo said his government knew the whereabouts of a former brigadier general in the Pakistani Army, Inam ul-Haq, who is widely believed to have been Mr. Pervez's contact in Pakistan. But, he said, he would not reveal General ul-Haq's version of events until he received documents on the case requested two months ago from the United States.

U.S. officials are believed to be eager to question the general.

Mr. Junjo said that ultimately Pakistan could survive a cut in U.S. aid. "We hope we will succeed, but it is going to be otherwise, we have to draw a new line," he said. "That new line," he added, means that Pakistan needs "to generate our own good resources."

"We have the capability to meet our requirements," Mr. Junjo said.

And he added that even if aid were cut off Pakistan's policy toward Afghanistan would not be changed.

"There was no U.S. aid to Pakistan in 1979 when the Afghans first came," he said. "We will pursue our policy on Afghanistan. That is very clear."

Alf Landon, 1936 Loser to Roosevelt, Dies at 100

The Associated Press

TOPEKA, Kansas — Alf Landon, the former Republican governor of Kansas whose presidential hopes were swamped in Franklin D. Roosevelt's landslide in 1936, died Monday. He was 100.

Landon received President Ronald Reagan and his wife, Nancy, at his home last month in honor of his 100th birthday Sept. 9.

In his landslide loss to Roosevelt, Mr. Landon carried only two

states, Maine and Vermont. He later said of the defeat, "As Maine goes, so goes Vermont."

He displayed the same sense of humor a month after the election, when as the outgoing governor of Kansas, he addressed the Gridiron Club, an organization of Washington newspapermen.

"If there is one state that prepares a man for anything, it is Kansas," he said. "The Kansas tornado is an old story. But let me tell you of one. It swept first the barn, then the outbuildings. Then it picked up the dwelling and scattered it all over the landscape."

"As the funnel-shaped cloud went twisting its way out of sight, leaving nothing but splinters behind, the wife came to, to find her husband laughing."

"She angrily asked him, 'What are you laughing at, you darned old fool?'"

"And the husband replied, 'At the completeness of it.'"

Roosevelt, running for his second term, won 27,747,636 votes to 16,679,543 for his Republican rival, Mr. Landon received 8 electoral votes to Roosevelt's 523.

The plurality of 11,068,093 in the popular vote stood as a record until 1964, when with 30 million more voters President Lyndon B. Johnson defeated Barry M. Goldwater by 15,948,746 votes. Even so, the Arizona Republican carried six states with 52 electoral votes.

Mr. Landon could bear his defeat with equanimity partly because he had had no real hope of winning and partly because he did not fear for the future of the nation, as did many of his fellow Republicans, if Roosevelt was re-elected.

Throughout his life Mr. Landon was a member of his party's liberal wing. As governor of Kansas he endorsed many of the most controversial aspects of the New Deal. He respected and admired Roosevelt.

Despite all this, Mr. Landon came to be thought of in later years as the prototype of Middle Western provincialism and conservatism.

After the defeat, Mr. Landon did not seek public office again. He became a general, unassuming pillar of the business community in Topeka, which was the headquarters of the oil-well business that had made him a millionaire by the late 1920s.

In 1932, Mr. Landon ran for governor. Wearing his oil field work clothes and the battered brown fedora that was to become a trademark, he campaigned in villages across the state. He defeated the Democratic incumbent to become the only Republican gubernatorial candidate west of the Mississippi to survive the New Deal avalanche.

In 1934, Landon was the only Republican gubernatorial candidate in the country to be elected.

WORLD BRIEFS

Lhasa Reported Calm After Protests

BEIJING (Reuters) — Western diplomats said Tuesday that Lhasa remained calm following recent independence protests, but a Tibetan government official said journalists were not allowed to gather news by telephone.

The Tibetan capital was still being heavily policed but no fresh clashes had occurred by Monday evening, a diplomat in contact with Lhasa said. Chinese measures to restrict the numbers of foreigners entering the city, which is officially open to the outside world, appeared patchy, he added. China has said about 50 foreigners were directly involved in the anti-Chinese riots Oct. 1 in which Tibetan sources said 19 people were killed. Beijing officials said six died. Chinese travel officials have told Lhasa hotel managers that tourists not part of an organized group will have to leave, and travelers and journalists have been refused air tickets to Tibet.

Barschel's Brother Suspects Terrorists

BONN (Reuters) — The brother of the West German politician, Uwe Barschel, forced from office in a political scandal, said on Tuesday that he might have been murdered by terrorists.

Eike Barschel told West German radio that a mysterious informant who met his brother, the former premier of the state of Schleswig-Holstein, shortly before his body was found in a Geneva hotel Sunday, could have been a decoy for urban guerrillas.

Mr. Barschel's family have said the politician had come to Geneva to meet an informant called Robert Roloff, who is said to have promised to produce a photograph proving a conspiracy behind the scandal that forced Mr. Barschel to resign last month. The Geneva police said that preliminary autopsy showed heart trouble might have caused his death but added they had not ruled out suicide or murder. Family members said they believe he was murdered.

Sithole Says U.S. Will Deport Him

WASHINGTON (LAT) — Ndabumgwe Sithole, a former African revolutionary who sought political asylum in the United States to promote private enterprise as the cure for Africa's political troubles, says the U.S. government has decided to deport him.

Mr. Sithole, founder of the Zimbabwe African National Union, a major black nationalist faction now led by Prime Minister Robert Mugabe, said he would be allowed to appeal the decision. In an interview, Mr. Sithole said that if he were forced to return to Zimbabwe, "it would be like returning to imprisonment or returning to the grave."

Mr. Sithole, 68, fled Zimbabwe in 1984 after surviving several assassination attempts. He has been living in the United States since 1985; a State Department spokesman declined to comment on Mr. Sithole's case.

Kohl, Gorbachev Meeting Planned

BONN (Reuters) — West Germany and the Soviet Union have agreed in principle that Chancellor Helmut Kohl and Mikhail S. Gorbachev should meet, a Kremlin official said Tuesday.

Anatoli F. Dobrynin, a Soviet foreign policy adviser, gave an optimistic picture of Moscow-Bonn relations at a news conference at the end of a six-day visit to West Germany.

Mr. Dobrynin, the former Soviet ambassador to Washington, toured West Germany as a guest of the opposition Social Democratic Party. He also met with Mr. Kohl and Foreign Minister Hans-Dietrich Genscher for talks focusing on arms control. Mr. Dobrynin said: "The chancellor and I discussed a possible German-Soviet summit. This is on the agenda, but no concrete timetable was mentioned."

For the Record

Pierre Juggins, leader of a reformist movement in the French Communist Party, declared his candidacy Monday for the presidential election next spring, the first Communist to challenge the official nominee, André Lajoinie.

The United Nations General Assembly, for the sixth year, blocked a bid Tuesday by Arab states to reject Israel's credentials. (Reuters)

A former political prisoner, Vladimir Titov, 49, who spent 18 years in Soviet labor camps and psychiatric hospitals, reported Tuesday that he has received permission to emigrate. (AP)

The U.S. Supreme Court let stand Tuesday the ban on landing rights for South African Airways, a key provision of the sanctions Congress imposed against South Africa to force it to abandon apartheid. (AP)

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NOBEL: Arias Wins Prize

(Continued from Page 1)

chancellor of West Germany; Henry A. Kissinger and Le Duc Tho for the ill-fated Vietnam peace accord; and Anwar Sadat of Egypt and Menachem Begin of Israel for the peace pact they signed.

What was unusual about this year's award, however, was that Mr. Arias was rewarded for achievements that were made after the Feb. 1 deadline for nominations. Mr. Aarvik acknowledged that unlike most past laureates, the Costa Rican president was nominated by only one person, a Swedish parliamentarian.

Mr. Arias, 46, held his first meeting with the leaders of Guatemala, El Salvador, Honduras and Nicaragua shortly after he was elected president last year.

The initial discussions centered on proposals made by the so-called Contadora group of South American governments, but early this year Mr. Arias called a new meeting at which he submitted his own plan, which led to the agreement signed in Guatemala on Aug. 7.

TREATY: Central Americans Move on Peace Plan but Uncertainties Remain

(Continued from Page 1)

the peace plan with the thinly veiled aim of overthrowing Nicaragua's Sandinist government by military force.

So far, the main accomplishments under the peace plan have been the creation of "national reconciliation commissions" in all of the countries except Honduras, the initiation of formal peace talks between government and rebel representatives from both El Salvador and Guatemala, and a political opening in Nicaragua.

The Sandinists have restored exiled church leaders to return, released imprisoned foreigners accused of counter-revolutionary activities and opened greater space for opposition political parties. But they have done nothing so far to diminish the control of the ruling Sandinist National Liberation Front over the armed forces and state security apparatus. Nor have they taken any action suggesting a change in their view that the front occupies a place in society on a par with the state.

To further demonstrate compli-

Kidnappings Rekindle Italian Debate on Gulf

By Loren Jenkins
Washington Post Service

ROME — The kidnapping of three Italian engineers by pro-Iranian Kurds threatened Tuesday to reopen the still simmering Italian debate over its naval presence in the Gulf.

Prime Minister Giovanni Goria, who last month ordered an eight-vessel flotilla to sail for the Gulf to protect Italian shipping, only last week succeeded in dampening opposition to the move by defending his actions in detail before an often hostile parliament.

New dissent arose when it was revealed Monday night that Mr. Goria's government had withheld the news that pro-Iranian Kurds were holding three Italians in exchange for an Italian naval withdrawal from the Gulf.

It took a note delivered in Beirut on Monday from the so-called National Union of Iraqi Kurds announcing the kidnapping to get the Italian Foreign Ministry and later Mr. Goria to admit that the three Italians had in fact been kidnapped in northern Iraq.

Meanwhile, a large convoy of Kuwaiti tankers flying the U.S. flag steamed Kuwait's oil loading terminals in the northern Gulf after a journey from the Strait of Hormuz.

The government defended its actions on the ground that it had been conducting "secret diplomacy" to try to get the three released.

The prime minister's office said the three had been kidnapped five days ago. But Foreign Ministry statements said that one had been kidnapped a month ago and that the two others disappeared two weeks ago.

Opposition groups ranging from the Italian Communist Party to the rightist National Movement accused the government of bad faith in hiding the fact of the kidnappings during the parliamentary debate last week.

Although many members of parliament said Tuesday that the gov-

GULF: 32 Killed in Iraq

(Continued from Page 1)

an warship attacked a Saudi Arabian tanker, the Petroship B, in the territorial waters of Dubai, according to shipping sources. The 39,115-ton tanker was on its way out of the Gulf when the Iranian frigate opened fire, slightly damaging the tanker, the sources said.

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British Find 2 Mines

The Defense Ministry in London said a British minesweeper found two mines off the United Arab Emirates port of Fujairah on Tuesday, Reuters reported.

The minesweeper Brecon located both mines on the seabed at a depth of about 300 feet using sonar equipment during a routine sweep around anchorages off Fujairah, ministry spokesmen said.

They are the first mines the British Navy has found since four of its minesweepers arrived in the Gulf last month. The spokesman was unable to identify the mines.

TAIWAN: Greater Democracy, Broader Mainland Contacts Are Expected

(Continued from Page 1)

four opposition parties have been formed. In a sign that the government is willing to tolerate only so much dissent, two dissidents charged were recently with sedition for advocating that Taiwan become an independent country.

That is a heresy in both Taipei and Beijing. The only thing the Communists and Nationalists agree on is that Taiwan is an integral part of China. The disagreement is that each side regards itself as the legitimate ruler of the whole.

It is the prospect of links to the mainland that most interests people in Taiwan.

"We'll visit at the beginning of next year," said a Taipei-born secretary who has never seen the relatives of her father, who live just 400 miles (650 kilometers) away on the mainland. "My father can hardly wait."

There are complications, of course. "My mother refuses to come along," the secretary added. "She's not excited about meeting my father's previous wife on the mainland, whom he had to leave behind."

When Chiang Kai-shek retreated to Taiwan with his army in 1949, he brought with him about two million people. Almost all left relatives behind. Bo Yang, a prominent Taiwan author, said that last year he had a reunion in Hong Kong with his two daughters, whom he had not seen since 1949. Next year, Mr. Bo said, he hopes to visit them on the mainland.

Will the next step for the government be to allow sightseeing trips or even limited trade with the mainland?

"One thing at a time," said Shaw Yu-min, the chief government spokesman. "We want to move cautiously."

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'Compressed Weeks' Lift Office Morale, but Are They Efficient?

By Judith Havemann
Washington Post Service

WASHINGTON—Every other Friday, four attorneys and field examiners in the small Oakland, California, office of the National Labor Relations Board take the day off because they are working a "compressed week." On alternate Fridays, three other attorneys and field examiners are scheduled to stay home. Different staff members regularly take every other Monday off.

Most employees love the schedule. But is it good for the government?

Nearly 10 years after Washington began to experiment with alternative work schedules, some managers say that one popular "flextime" choice—a day off every two weeks in return for slightly longer hours—

does little more than offer employees regular three-day weekends.

"This is not a schedule I would implement if I were an office manager," said Stanley Nollen, professor of business administration at Georgetown University.

It "does nothing whatsoever to change an employee's sense of control and responsibility," he said, adding: "It just gives the impression of more vacation, which is hardly in the spirit of dedication to a job."

Donald W. Hasbargen, a Minneapolis management consultant, said he thinks compressed work schedules can change the psychology of an office.

"A lot of time, working professionals like lawyers and engineers tend to work more hours than scheduled," he said, but a "strange psychology develops" when new routines are introduced — "that all you have to work is exactly the schedule."

Nearly 114,000 of the federal government's 2.1

million civil servants are on a work schedule called 5-4-9; it involves taking a day off every two weeks in return for adding a total of eight hours to their work days during each two-week period, according to the Office of Personnel Management.

As a result, some managers say, offices on a 5-4-9 schedule are sometimes thinly staffed on Fridays and Mondays. And the emptying out of government offices at the beginning and end of the week has at least the potential of creating bottlenecks, affecting productivity and chipping away at the work ethic. But supporters say it may improve morale enough to make up for the disadvantages.

One labor relations board attorney, who asked to remain anonymous, said he had been accustomed to working nine hours a day. When 5-4-9 was introduced, he received an extra day off every two weeks with no other change in his routine.

"Longer hours go along with a professional-type person," said Peter W. Hirsch, the National Labor Relations Board's regional director in Philadelphia. "Professional occupations have a different ethic" than jobs governed by clock-watching, he said, and among professionals there has always been a feeling "that if it's necessary to work extra hours, it goes with the territory."

Kathleen McCarthy, an attorney on the 5-4-9 schedule in the board's Boston office, sees it differently. "I disagree with the idea that we are somehow cheating because the government is not getting as many freebies as it got before," she said.

She noted that occasionally she has had a case in Providence, Rhode Island, that ended at 5 P.M. and then had an unpaid hourlong drive home. "Now I get paid," she said.

Reagan Tones Down His Language on the Bork Nomination

By Lou Cannon
Washington Post Service

SOMERSET, New Jersey — President Ronald Reagan on Tuesday toned down an appeal for his Supreme Court nominee, Robert H. Bork, deleting from his speech an accusation that Judge Bork has been the victim of a sophisticated campaign of smears and lies, and conceding that Judge Bork would be rejected by the Senate.

Mr. Reagan's revised strategy was announced three hours after White House aides distributed the text of a combative speech the president was to make to the New Jersey Chamber of Commerce in

which he blamed Mr. Bork's plight on "a few liberal special interests" that "have declared a war of conquest on the American system of justice."

Instead, Mr. Reagan said mildly that "Judge Bork and I agree that there are no illusions about the outcome of the vote in the Senate, but we also agree a crucial principle is at stake."

"That principle," he said, "is the process that is used to determine the fitness of those men and women selected to serve on our courts — and the ultimate decision will impact on each of us and each of our children if we don't undo what has

already been done and see that that kind of performance is never repeated."

The White House spokesman, Martin Fitzwater, said Mr. Reagan would make a six- to seven-minute nationally broadcast speech Wednesday afternoon urging Judge Bork's confirmation.

Officials said privately that the toned-down approach also reflected a desire by the White House chief of staff, Howard H. Baker Jr., to avoid a bitter and unnecessary exchange between the president and senators who oppose Judge Bork.

For the time being, at least, Mr.

Baker and other pragmatists in the White House appear to have prevailed over conservatives who wanted Mr. Reagan to make Judge Bork the symbol of an ideological confrontation.

Newspaper advertisements sponsored by We the People, a group directed by former Reagan political advisers, last week questioned the personal integrity of Senate Judiciary Committee Chairman Joseph R. Biden Jr., Democrat of Delaware, and two other Democratic members of the committee, Edward M. Kennedy of Massachusetts and Howard M. Metzenbaum of Ohio.

Mr. Reagan's only criticism of the Senate in his speech Tuesday was a comment that the Judiciary Committee hearings on Judge Bork had been "marred by distortions and innuendos."

The White House communications director, Thomas Griscom, denied that the administration was trying to "have it both ways" by making public a harsh attack and then substituting more moderate remarks.

Democrats Back a Vote

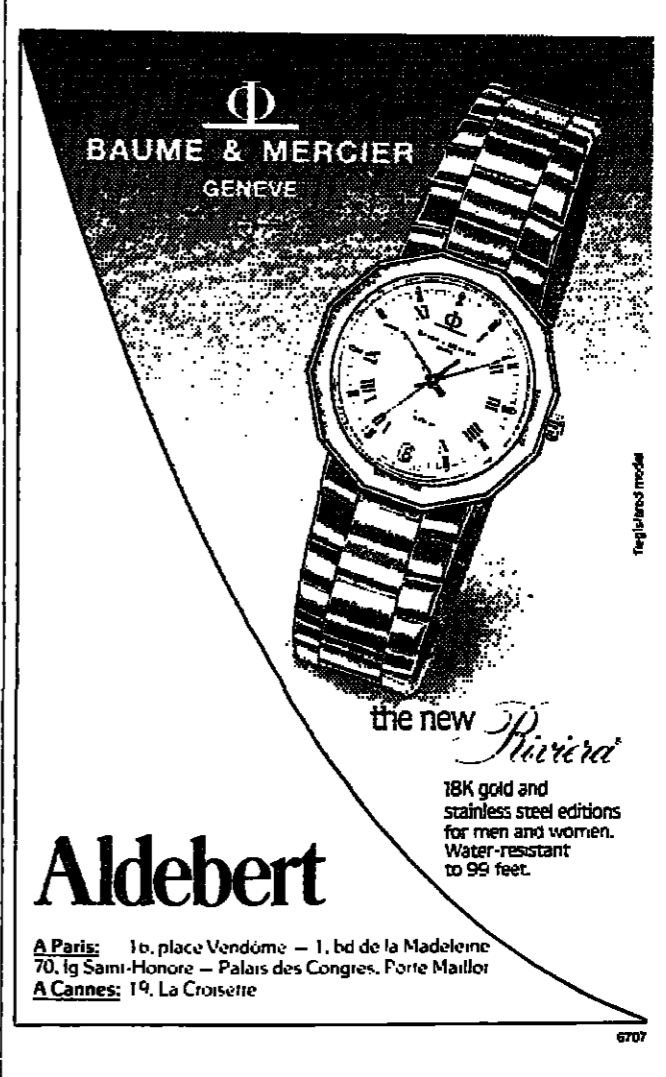
Senate Democrats proposed Tuesday an early vote on Judge Bork's nomination, forcing Repub-

licans to ask for more time even though President Reagan has called for quick action.

The majority leader, Robert C. Byrd of West Virginia, said on the Senate floor he was accepting Mr. Reagan's suggestion on quick action for the nomination.

Debate should begin right away, Mr. Byrd said, with a vote at 6 P.M. Wednesday.

But the Senate Republican leader, Bob Dole of Kansas, and the Republican assistant minority leader, Alan K. Simpson of Wyoming, indicated that Bork supporters would need at least three days of debate.



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AMERICAN TOPICS

Where Development Yields to Dirt Roads

Since 1981, Connecticut has permitted towns to designate some roads as scenic to protect them from being paved, widened or otherwise developed, as long as the owners of 51 percent of the road frontage agree.

Four towns have done so: New Milford, Lebanon, North Stonington and Redding, but not without controversy. The New York Times reports:

George Clahr, a retired eye surgeon, credits the dusty, bumpy service of Indian Trail Road in New Milford with preserving pastoral charm.

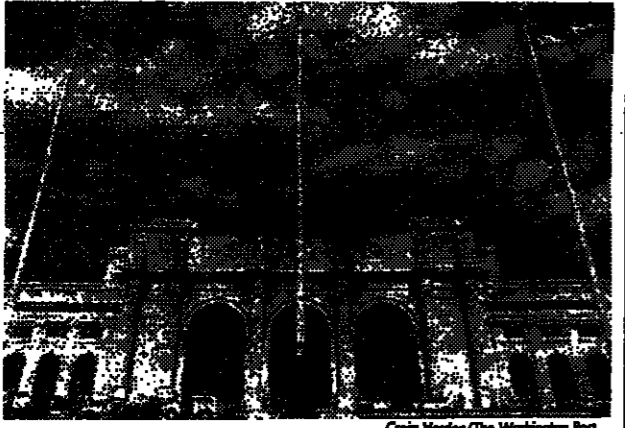
"Keeps away the Sunday drivers in Lincoln, who don't want to bang their heads on the roof or lose their license plates," he said.

Others say dirt roads cost too

much to maintain, endanger school buses and could delay emergency vehicles.

"I was raised in Nebraska on dirt roads, and there is nothing scenic or pleasant about them," said John T. Knepper, a retired oil company executive. "These people aren't talking about preserving scenic roads. What they are really talking about is stopping development. They want their own little private preserve, and the rest of us can worry about finding places for other people to live."

But Robert W. Valkenier, a retired magazine editor, said, "Those of us who have become exurbanites are attracted to what rurality is left."



Union Station in Washington still presents a fine facade.

Engene Hasenfus, the American mercenary who was shot down while air-dropping arms to the U.S.-backed rebels in Nicaragua, sentenced to 30 years in prison and then pardoned a month later, is suing his former employer, Corporate Air Services, for \$35 million, claiming the company left him broke and facing huge legal bills. The lawsuit says Corporate Air Services was run "right out the back door of the White House." Mr. Hasenfus plans a separate suit against the federal government.

After years of desuetude Washington's Union Station is to be restored to its former magnificence within the coming year with \$140 million — \$110 million from the federal government and \$30 million from private investors. In addition to resuming its full role as a railroad station, it will house film theaters, stores,

Short Takes

Yale University went coeducational in 1969, and now the small 20-foot (6-meter) swimming pool at the Yale Club in Manhattan has followed suit. Since 1915, when the present club's building went up, only men have had access to "the plunge," as it is called, and they have chosen to swim nude. Starting this month, women may swim too and all swimmers must wear swimsuits.

Now, a book for singing in the shower. "Shower Song Lyrics" contains 11 show tunes, including "Oh, What a Beautiful Morning" and "I'm Gonna Wash That Man Right Out of My Hair." The book is waterproof and has a handle that can be looped over the shower head. Priced at \$4.95, it is published by Steam Press Books of Watertown, Massachusetts.

—ARTHUR HIGBEE

There is no room for compromise.



Billionaires Double in U.S.

NEW YORK — The number of billionaires in the United States nearly doubled this year to 49, their number swelled by an emerging group that includes a 31-year-old computer whiz and an heir to the Campbell soup fortune, Forbes magazine reported.

The magazine annually lists the 400 wealthiest Americans. This year, with an average worth of \$550 million, the value of the Forbes 400 is \$220 billion, a jump of 41 percent from last year and an amount big enough to erase last year's U.S. budget deficit of \$205 billion, the magazine said Monday in releasing the names.

The list will appear in the magazine's Oct. 26 edition.

No. 1 for the third year is Sam Moore Walton, whose assets from his chain of discount outlets based in Arkansas, Wal-Mart Stores, nearly doubled to \$8.5 billion.

Among the 23 newcomers are Jacqueline Mars Vogel, who Forbes said it recently determined was an heiress to the Mars confection company's family fortune, and is worth \$1.15 billion.

At 31, William H. Gates won the title of youngest new billionaire. A mathematics prodigy and Harvard dropout, Mr. Gates founded the Microsoft computer company 13 years ago. His stake of 40 percent in it is worth \$1.25 billion.

The oldest among the Forbes 400 is the heiress of the New York Times Co., Iphigene Ochs Sulzberger, 95.

Also on the list for the first time is John Dorrance, the Campbell Soup heir, at \$1.5 billion; August Busch, the Budweiser brewmaster, \$1.3 billion, and Ted Atison, who built Carnival Cruise Lines and last year took it public, quadrupling his worth to \$1.8 billion.



INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

Who Sank Judge Bork?

Robert Bork is an honorable man with an impressive record as a professor, lawyer and judge on the United States Court of Appeals. Yet a Senate majority seems lined up against his nomination to be a Supreme Court justice.

True Bush, but No Tiger

Most presidential candidates claim the year in which they are running is a turning point in history, a moment of great decision, when the nation's future for a generation or two is at stake.

Jackson's Poor Judgment

The Reverend Jesse Jackson has taken great pains to project himself as a serious candidate for the presidency. But the disclosure of his endorsement contract with a chain of business schools raises a serious question about the judgment of this minister who would be president.

Other Comment

Getting Out of the Gulf

The temptation for the Western powers to withdraw from the Gulf rather than get involved in combat is going to grow. But if the warships were withdrawn, the West's oil supply would be jeopardized, and the Arab states would feel abandoned by the mercy of the Islamic revolution.

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OPINION

Go Slow on Glasnost; a New Era Has Begun

By Stephen S. Rosenfeld

WASHINGTON — The debate in the United States over the Gorbachev reforms is coming to a new phase. No longer is the focus on whether the reforms will deepen and stick. There is still much doubt about that question, but the working assumption now is that the reforms have a good chance of succeeding and that their success would be a surpassing geopolitical event.

By Flora Lewis

ST. PAUL, Minnesota — Western experts on East-West affairs who gathered here to discuss "the implications of Soviet new thinking" showed consensus on what Mikhail Gorbachev is trying to do. The debate is moving on now to what the United States and the West in general should do about it.

Poverty's Children: Ever More

By David S. Broder

WASHINGTON — Daniel Patrick Moynihan, who is either the best social scientist in the Senate or the best senator who is an active scholar, has just published a paperback, as has just published a paperback, at the end of his 1983 Godkin lectures at Harvard, "Family and Nation." An epilogue reviews the current state of debate on the linked subjects of child care, poverty and government policy.



After all, what are mothers for?

Burt's Right on One Thing: Allies Must Pay More

By Patricia Schroeder

WASHINGTON — Richard Burt has gone native. The U.S. ambassador to the Federal Republic of Germany has caught the epidemic of the Foreign Service: He thinks his job is to speak to the American people on behalf of the government of West Germany.

development are not going into defense as a majority of our dollars are. Of the \$300 billion the United States spends on defense, something more than half, say, \$150 billion, goes for NATO obligations. Our trade deficit is running at about \$175 billion a year. What we are spending to protect our allies is nearly the same amount by which we are losing the trade war.

The Battle of Peru Is Being Mis-Fought

By Jorge G. Castañeda

MEXICO CITY — Not often do the internal and sometimes Byzantine debates of Latin American politics acquire an international dimension. It is all the more surprising, then, to see how the political dispute in Peru over President Alan García Pérez's nationalization of the banking system has extended well beyond the borders of that country.

Mr. Burt says that he is recommending reducing the 33,000 U.S. troops in Germany, I agree. If he is arguing that the Germans have their crosses to bear, I cannot disagree. But if the burden of U.S. troops stationed in Germany is too great, the Germans could field more of their own and ask us to remove some of ours.

100, 75 AND 50 YEARS AGO

1887: In Need of Work

LONDON — There is growing alarm about the ugly looks, words and conduct of the unemployed. They again had processions in Trafalgar Square yesterday (Oct. 13). The police fairly abounded in the vicinity of the square. A speaker in differing from another speaker who had counseled the mob to remain orderly exclaimed: "Be as orderly as you possibly can, but if violence alone will do, then I say in God's name be violent."

1912: No Turkish Loan

NEW YORK — The Balkan war scare so far has not seriously affected the money situation here, and bankers do not believe that this factor for depression will be of long duration, as it would be difficult for the belligerents to finance the campaign without assistance from the Great Powers.

1937: Pledge to Belgium

BERLIN — In a note handed this morning (Oct. 13) to the Belgian Minister in Berlin, the German Government announced its formal recognition of the inviolability of Belgian territory and its expressed intention to respect it at all times and to help and defend it against attack.

Handwritten Arabic text at the bottom of the page.

OPINION

On Screen and Off, AIDS Plays a Bit Part to Money

By A.M. Rosenthal

NEW YORK — In Washington one enchanted evening, a handsome young U.S. Navy officer spots this beautiful young woman. They eye each other hotly and soon exit to her limousine, where they proceed to tear each other's clothes off in the back seat. An excellent time is had by both. Afterward, as they say, he asks her name.

In New York, a book editor, a woman, hires a married lawyer into a dinner

ON MY MIND

date, after their first business conference. In an hour or two they are in her apartment adjacent to the meat market, making love on the kitchen sink.

Also in New York — obviously a particularly passionate city — a teacher in his 20s keeps leaping from his convertible in attempts to entice the interest of young women who arouse his desire. A 19-year-old redhead who happens by does not need much enticement; within minutes they are spending a very merry afternoon hour in his car, this time on the front seat. Sated, he goes back to playing baseball in the park with his class of 10-year-olds, sweetly teaching them that the game is like life itself.

Back in Washington, the members of the presidential commission on AIDS do nothing much but waste time for a few months. Then they come to a tremendous decision: kick out the physician-chairman and reorganize, putting an admiral in charge! And the administration decides to fight a bill that would penalize discrimination against AIDS sufferers.

To return again to New York, a weekly newspaper for homosexuals, *The New York Native*, carries many stories about AIDS. It also carries columns of paid "personals" wherein gay advertisers speak of their urgent interest in meeting strangers for the purpose of sexual encounters of one sort or another. Some of the ads come from male prostitutes, a particularly high-risk group for AIDS, and some suggest homosexual anal intercourse, the most dangerous form of sex.

What's the connection between copulating couples, the AIDS commission, the anti-discrimination bill and the friendly fornication ads in the paper? Simply that Americans may be scared about AIDS, but not enough to conquer politics or lust — for the dollar.

The lovers are in three movies, currently making fortunes at local cinemas. Comedies? Not in the scripts. AIDS is a lousy love story, as one of my motion picture friends said, and you can't argue with that. Hollywood is talking about getting around to recognizing that the backseat of a limousine, first time out, can lead to the grave. But, aside from one or two pictures, it still is all to come later, later.

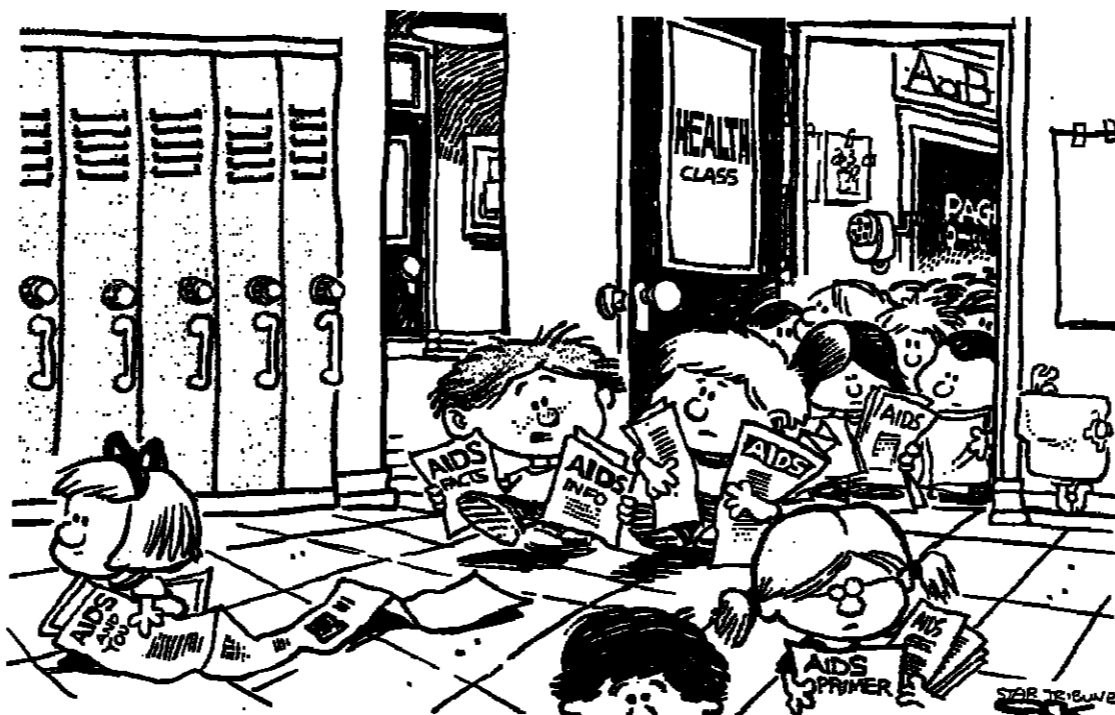
Censorship is not needed; creativity is. Surely imaginative movie makers can find solutions, like backslating some of

the first-encounter movies to a pre-AIDS era. That at least would entertain nostalgia fans. And if the immediate-action scene is set in the present, it would be plain realism to bring up the subject of wariness of AIDS rather than pretend it did not exist. It will be a lot easier than the boycotts and unprofitable X-ratings that may come instead.

Movies about intelligent people making love to strangers without thinking of AIDS are false, stereotypes of the care-free lover. Hollywood learned to eliminate other stereotypes — the Andy Hardy adolescent, the shuffling black or the stinky Chinaman. It can teach itself to eliminate this one, which would be a creative step, not a restrictive one.

Money, of course, rides on exactly how, when and where sex is shown in a movie. And money is involved in the male prostitute ads in gay publications. Here, too, no censorship is needed or desirable. But the gay community might say out loud how it feels. That should do it.

In Washington, the fear of AIDS is not as strong as the power of politics and ideology. That's why the commission is failing and why the administration will not accept the idea of an anti-discrimination code relating to AIDS. The administration does not seem able to peer over the ide-



"Here I am, educated to deal with the most intimate, complex, controversial sexual crisis ever to face our society — and I'm still not sure what a "hickey" is ..."

logical wall and see that national self-interest lies in giving the most possible protection to those from whom most will be demanded in preventing the spread of the disease: the sufferers themselves. So, here are two messages that might

be of particular interest to Hollywood and Washington. One is from Surgeon General C. Everett Koop: "Do not have sex with people that you do not know and whose state you cannot attest to." The other is from David Brown, the

producer and writer, who was not involved in the three fast-sex movies: "The end line is that most of us really do not believe the warnings or statistics. Or we think they are not for us." *The New York Times*.

LETTERS TO THE EDITOR

On Bork: An Independent Judiciary Is Not the Issue

David Broder invokes the principle of the independence of the judiciary to condemn the challenge to Judge Robert Bork's appointment to the U.S. Supreme Court and the recall of Justice Rose Elizabeth Bork from the California Supreme Court ("Judge-Bashing Is a Hazardous Game," Oct. 7). He is correct in the second instance only.

The essence of judicial independence is that judges are free to decide cases impartially, in accordance with their understanding of the law, without any direct or indirect threats or interference. The fundamental guarantee of this, as provided in the United Nations Basic Principles of the Independence of the Judiciary, is that judges, barring misconduct or incapacity, shall have guaranteed tenure.

In the case of Justice Bork, the recall campaign was designed to remove her from office because her judicial decisions did not conform to prevailing passions. This is precisely what the UN principles

sought to prevent. Judge Bork, on the other hand, is seeking appointment to, not retention in, a judicial post.

President Reagan presumably selected Judge Bork on the basis of his well-known views, and opponents have equally taken those views into account. Whether the president and the Senate are acting wisely is something for U.S. voters to decide, but the principle of an independent judiciary is not at stake.

REED BRODY,
Center for the Independence
of Judges and Lawyers, Geneva.

Little Feet, Big Shoes

Regarding "Small Talk: 6 Dots in Europe Try to Put Things in Perspective" (Sept. 10) by Barry James:

Your reporter's account of the meeting of the smallest European countries — Andorra, Liechtenstein, Luxembourg, Monaco, Malta and San Marino — was informative in outlining the pluses and minuses of this unusual and yet historically unassailed situation.

Among the several contributions that these small states make is an element that often escapes the casual observer: that, irrespective of their size, they can and do serve as centers of excellence in certain scientific, cultural and nonpolitical fields.

The long-established and respected International Center of Oceanographic Research in Monaco is an obvious example.

Another is the European Center for Disaster Medicine, recently established by a Council of Europe initiative to meet the growing needs arising from toxicological catastrophes and natural disasters. There is no doubt that a small country can see big.

S.W.A. GUNN, M.D.,
Vice President,
European Center for Disaster Medicine,
San Marino.

More About Willson

Thank you for your coverage (Sept. 3) of our family friend, S. Brian Willson, who was run over by a U.S. Navy train carrying arms bound for Central America and Nicaragua outside the Naval Weapons Station in Concord, California, on Sept. 1. Two phone calls from my daughter in California provided further details that might interest your readers.

Brian's wife, Holly, had gone to warn the slow-moving train that there were protesters on the tracks — to no avail. He jumped too late, was rolled under the rails, and lost both legs below the knee. The emergency medical technicians of the Naval Weapons Station refused to aid him, claiming that the mishap had occurred outside of their jurisdiction. It was

45 minutes before an ambulance arrived.

A wave of horror, protest and sympathy spread through the nation. Senator Edward Kennedy wrote to Brian. President Daniel Ortega Saavedra called from Nicaragua. The Reverend Jesse Jackson visited him.

Let us hope that we can all act together so there will be no more tragedies and no further need for martyrs. The highest tribute we could pay to the birth of our Constitution 200 years ago would be a return to its principles.

JEANNE BURROUS,
Paris.

In "The True Place for a Just Man ..." (Sept. 14), Colman McCarthy writes that S. Brian Willson's "form of protest ... is at the respected core of a long tradition of civil disobedience." How soon can we look forward to a column by Mr. McCarthy canonizing the selfless Americans in and out of government whose consciences have driven them, at great personal risk and sacrifice, to "civilly disobey" the disgraceful, immoral, very probably unconstitutional and utterly wretched Boland amendment (which prohibited direct U.S. aid to the Nicaraguans)? You never know, but I suspect that it will be a hot day in the Gulag before that happens.

JACK JOLIS,
Brasschaat, Belgium.

Fear, the Dark Bond Between One's Conscience and Bigotry

By Anna Quindlen

NEW YORK — The way he told it, it really was a funny story. He was sitting at the kitchen table, his second beer in hand, talking about having his wisdom teeth pulled. The dentist's office, he said, looked like a gathering of ghosts, with the dentist and his assistants draped, masked, gowned, gloved. The trays, the floors, the chair, the counter tops: everything was swathed in white. And there he was in the middle of

MEANWHILE

it all, his mouth open wide, feeling as though he should have a bell in his hand, so that when he could talk again he could clang it and cry, "Unclean!"

You've got to trust me on this; he made us laugh at the whole thing. The time to cry was long past, the time when we found out that he had tested positive for AIDS antibodies, indicating that he carried the virus; the beginning of the time when he knew that to have a tooth out would be a major undertaking, fraught with fear and anger and shame.

The stories got, less funny fast. I noticed a scar on his forehead and asked how he got it. It seems he had fallen against a kitchen counter. But he never went for stitches. He couldn't stand the fuss that would be made if he told the medical people he was infected. He couldn't stand himself if he didn't tell.

It stopped being funny at all when I came downstairs after he was gone and picked up my beer to finish it. I looked from the bottle in my hand to the bottle on the table and realized that I didn't know which was mine and which was his. Feeling horrible, hypocritical, paranoid, I pitched them both in the trash.

Things are bad all over on the AIDS front, even in our house, where we have routinely done what some of the folks of Arcadia, Florida, and Kokomo, Indiana, went to extraordinary lengths to avoid. Our friend plays with our children, eats at our table, is never permitted to leave without a hug and a kiss. It would not occur to me to do otherwise. I know I will not be infected through him.

I know ... I think ... I hope. I wanted to jump on the people who have been bigoted about this: the people in Arcadia who wanted to keep those three little boys out of school; the ones in Kokomo who made 15-year-old Ryan White's life so unbearable that his family left town; the parents in Texas who abandoned their pediatrician when they found out he was antibody-positive. I want nothing to do with people like these — except that I know there is a little bit of them in all but the very best of us. We call them ignorant, and they are. But I suspect we all feel at least a little ignorant where AIDS is concerned.

We would love absolute certainty on all aspects of this issue. Americans are a nation raised on true-or-false tests. We

want doctors to give us answers, which shows how short our memories are. After all, it was doctors who once assured us that smoking did not kill and that prescription drugs during pregnancy did not do a bit of harm. Still, we want to know precisely how AIDS spreads and why some people who are infected get it and some do not and whether being infected means inevitably getting sick. First we hear that the most powerful argument against transmission through casual contact is that health-care workers have not contracted the disease. Then we hear that health-care workers have contracted it, but only under certain circumstances. We do not know what to believe.

All we know for sure is that getting sick means dying, at least so far, and that you cannot get it from a beer bottle that has been sitting around for an hour. I know that ... I think ... I hope.

There is a very small number of smart people who have an unwavering commitment to never letting one small bit of the misinformation about this filter into their psyche. There are others who are using their children as an excuse to spout venom and lies about people they despise and feel threatened by. Then there are a lot of people in the middle: people trying to be smart and rational, people who read the latest stories and statistics and try to be sensible, yet who watch a mosquito coming toward them and wonder where it has been and whose blood is inside it.

When our friend found out he had been infected, he offered to stop visiting our house. I was indignant. What did he take me for? In medical parlance, there would have to be an "exchange of bodily fluids" for him to infect my children. There was no risk in having him to dinner; more of a risk to cutting him out of our lives and depriving ourselves of his friendship and of our own self-esteem. So I smiled as he roughedoused with the older boy, but all the time some part of my brain was saying, "Please, God, don't let the kid accidentally bite him."

Columnists are usually in the business of opposites, of us and them. And that is what this started out being, a column about us and them. I continue to think about myself as different from people who torment a first grader whose only crime is a transfusion of tainted blood and who is less of a health threat to the children around him than they are to him. I continue to think of myself as different from those people who would leave a dying man bleeding on the sidewalk in parts of New York or San Francisco.

But I have watched the mosquitoes too. And one night not long ago I threw away two perfectly good beers because one was mine and the other wasn't. Sometimes, when I'm feeling self-congratulatory, I think about that and I am ashamed. And I realize that maybe there is someplace between us and them, and this is it.

The New York Times.

Swissair Business Class passengers: There's a First Class surprise waiting for you in the USA.

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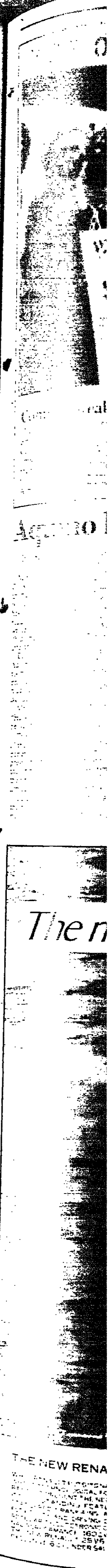
We haven't merged in order to be the largest, but to provide an even greater breadth and depth of service than before.

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auditing, tax and management consulting anywhere in the world.

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KPMG - initially you may not have recognized us. Now you will.





Indians Battling Into Jaffna Despite Stiff Tamil Resistance

By Barbara Crossette
New York Times Service

COLOMBO, Sri Lanka — Indian troops using 120mm mortars, tanks and armored personnel carriers were battling their way Tuesday through fierce Tamil guerrilla resistance along four routes into the city of Jaffna, an Indian official said.

The guerrillas, apparently making a desperate stand around their most important administrative center, are reported by the Indians to be forcing civilians to carry munitions and clear away bodies, or serve as shields for the Tamils.

"A number of civilians have been forced by the LTTE to participate in their campaign," the Indian official said, referring to the Liberation Tigers of Tamil Eelam, the main group of Tamil separatists.

The Indian force of 12,000 to 15,000 troops and police officers is enforcing a July 29 agreement between Colombo and New Delhi that was intended to end the Tamil guerrilla war in Sri Lanka.

As the Indians advance, they are "neutralizing" guerrilla bunkers and buildings, including houses, from which militants are firing, the Indian official said. At least eight Indians died and 62 have been wounded in the past 24 hours in Jaffna.

An Indian policeman also was reported killed in a land mine explosion Tuesday in Batticaloa, in Eastern Province. In the Trincomalee area, the Tigers attacked an Indian outpost, a move seen as an

attempt to divert attention from Jaffna.

A total of 27 Indian troops have died and 141 have been wounded in Sri Lanka since Saturday, the Indian High Commission said.

The number of guerrillas killed in Jaffna on Tuesday was estimated at about 40 by the Indians, bringing the total Tamil combatant dead to at least 200. Hundreds of Tamils are thought to have been injured.

Facts about operations and casualties in Jaffna are impossible to obtain independently. Telephone communications to Jaffna are cut, and all reporters except for an Indian government television team have been barred from the area by the Indian Army. The area is under curfew.

The leader of a moderate Sri Lankan Tamil political party, interviewed by telephone in the Indian city of Madras on Tuesday, said that he feared that "quite a substantial portion of the casualties may be civilians."

The politician, Appapillai Amirthalingam, of the Tamil United Liberation Front, said that he has appealed to Velupillai Prabhakaran, the Tiger leader, to stop fighting and negotiate a cease-fire with the Indian peacekeeping force.

The Indians have been attempting to disarm the militants, but the Tigers have defied orders to surrender their weapons.

Last week, after more than 200 Sri Lankans died in attacks by the Tigers on villages around Trincomalee and Batticaloa, the Indians opened a military campaign against them.

Indian troops have ordered civilians out of the way of the fighting, the Indian diplomat said. Indian forces are also restricting their air power to logistical support, and are not bombing or strafing settlements, officials said.

But the guerrillas apparently have prohibited civilians from leaving the combat area, according to the Indians.

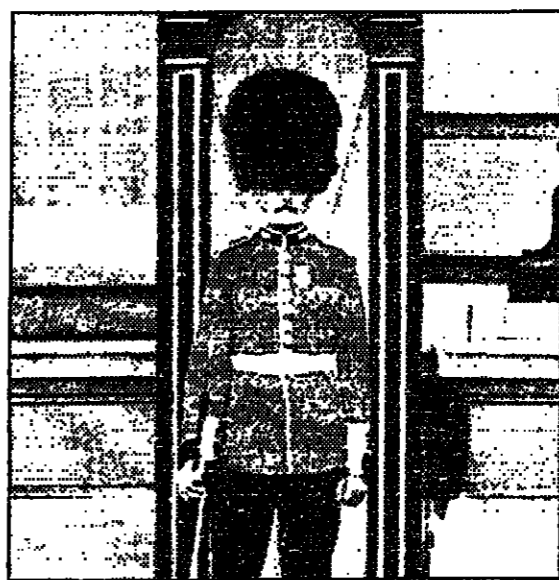
The Indians say they are advancing on the city of Jaffna along four routes from the east, northeast, north and northwest. There are civilian settlements along all the roads into Jaffna.

"Some of the civilians have been given the role of carrying grenades," said Lakshmi Puri, first secretary and press counselor of the Indian High Commission. "Some are carrying ammunition boxes, collecting dead bodies. Some of them may be trapped in houses where the LTTE is firing from."

"On certain routes where civilians want to get out of their houses, the LTTE has directed them to stay, so they can use them as a human shield," she said.

The Indian and Sri Lankan navies are attempting to isolate the Tigers from their supporters in southern India by intensive patrolling of the Palk Strait that separates the Jaffna Peninsula from the Indian state of Tamil Nadu.

Fishing has been banned around the Jaffna Peninsula.



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Aquino Files Libel Suit on 'Hid Under Bed' Report

By Keith B. Richburg
Washington Post Service

MANILA — President Corazon C. Aquino, who has lately been trying to counter the public perception that she is weak and indecisive, has filed a libel suit against a widely read newspaper columnist who wrote Monday that Mrs. Aquino "hid under her bed" during a coup attempt on Aug. 28.

Before filing the lawsuit, Mrs. Aquino took a reporter to her bedroom and showed how it would be physically impossible for her to hide under the bed, which has wooden sides.

Mrs. Aquino was quoted saying: "He won't get away with it. I think he wants to hurt my feelings."

The columnist, Luis D. Beltran of the Philippine Star, wrote in his paper's morning edition, "The president hid under her bed while the firing was going on — perhaps the first commander in chief of the armed forces to have done so."

Later Monday, the Evening Star, the paper's afternoon edition, carried an apology from Mr. Beltran.

"I wasn't making fun at her," he said, "only expressing concern at the gravity of the situation which had stopped being funny."

Mr. Beltran said he was using the expression "hid under the bed" in a figurative, not a literal, sense. He said he got his information from a published remark of the president's youngest daughter, Kris, that the family was frightened during the shooting outside Malacanang Palace and knelt down to say the rosary together.

"If I have hurt her feelings, I hereby apologize and take back what I have said," Mr. Beltran's statement read. "I don't think anyone can question how brave and courageous President Aquino is."

Mr. Beltran, one of the country's most widely read journalists as well as host of two weekly talk shows, has been in trouble with the palace before. Last year, he lost his job as editor and columnist for the Philippine Inquirer after wrongly reporting in his column that Joker Arroyo, then the president's executive secretary, was the source who gave

a government document to the Communists.

When, in his capacity as editor, Mr. Beltran refused to publish letters from Mr. Arroyo over the matter, the paper's owners dismissed him. Mr. Beltran says he was a victim of presidential pressure.

Mrs. Aquino filed the libel suit, for an unspecified amount of damages, despite Mr. Beltran's retraction. "Journalists have obligations and responsibilities," said Teodoro Benigno, Mrs. Aquino's press spokesman. "That's what journalism is all about."

Filing the suit at the city courthouse, Mrs. Aquino said: "I have always been a woman of courage. I don't want the soldiers of the republic to ever doubt for an instant that their commander in chief is a woman of courage that they look upon and respect."

The presidential palace has grown increasingly frustrated with both the local and foreign press, which was once widely sympathetic to Mrs. Aquino, for now depicting

the president as "weak and indecisive," in the popular cliché.

The president and her aides also have been irritated by the wide press access given to rebel military leaders. Last week, Mr. Benigno announced that the government had ordered the closing of three radio stations that were broadcasting anti-government propaganda.

Strikers March on Palace
Thousands of striking Philippine workers, taking part in a weeklong

walkout for higher wages, defied police warnings and marched toward the presidential palace Tuesday, but dispersed peacefully after a tense confrontation with riot policemen. The Associated Press reported from Manila.

The marchers had come from a rally in a central Manila square that capped the second day of a planned weeklong strike.

The May First Movement, which organized the strike, is pressing for a 50-cent-a-day wage increase.

Honecker Begins Visit to Belgium

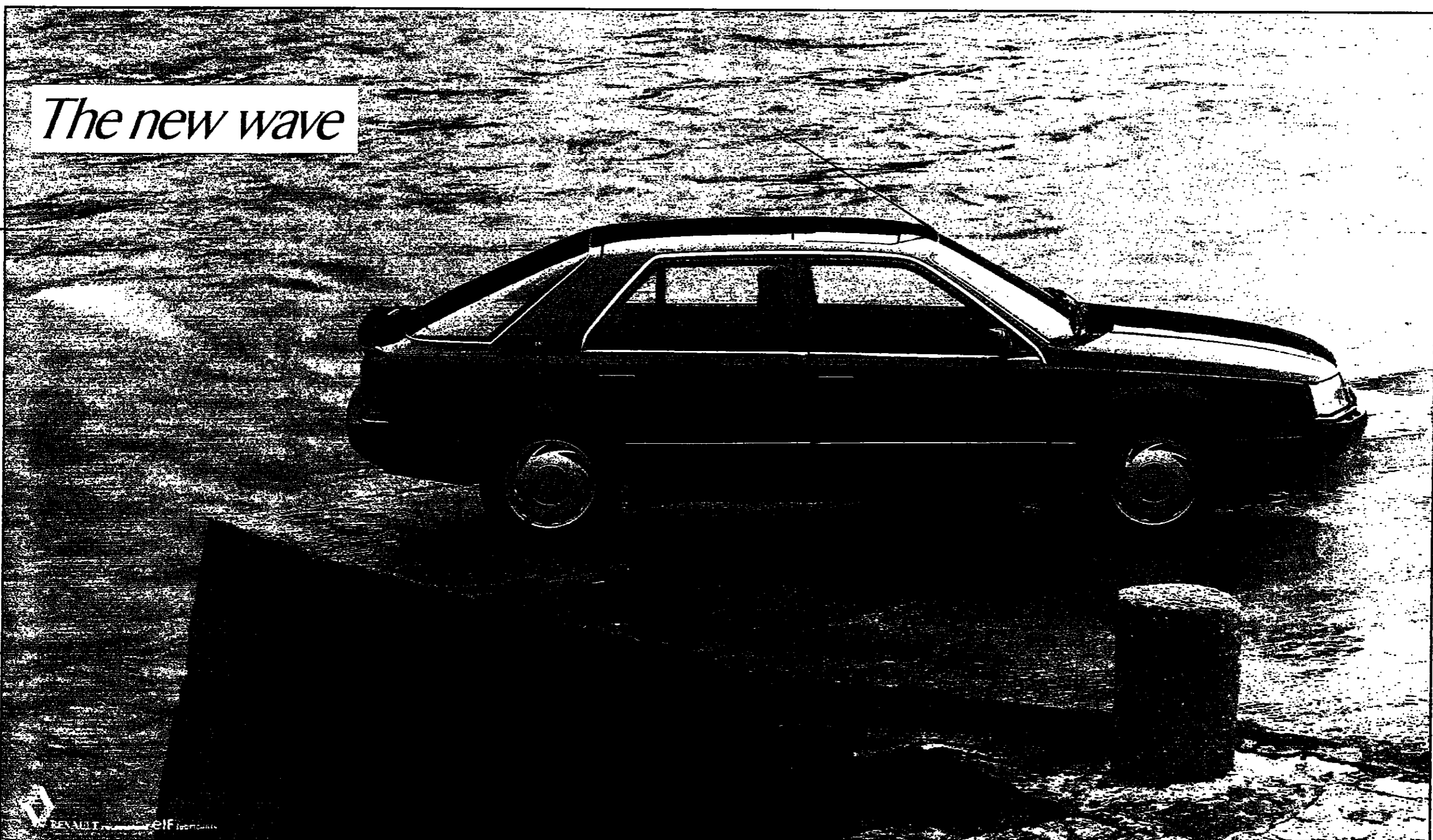
Reuters

BRUSSELS — The East German leader, Erich Honecker, on his third trip to Western Europe this year, arrived here Tuesday for a three-day state visit to Belgium that was expected to focus on bilateral trade and East-West relations.

Mr. Honecker, 75, was met by King Baudouin at Zaventem airport. He is to talk Wednesday with

Prime Minister Wilfried Martens, who visited East Berlin in September 1986.

Diplomats said the trip underlined non-Communist Europe's growing readiness to deal with East Germany at the top level. Mr. Honecker's visit to West Germany last month was the first by an East German leader since the two countries were created in 1949.



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RENAULT 25 - SHE'S A SPECIES APART.

Korean Dissident Group Backing Kim Dae Jung

The Associated Press
SEOUL — A leading dissident group announced Tuesday that it would back the opposition leader Kim Dae Jung in presidential elections later this year, in a new sign of growing divisions within the opposition.

In another development, policemen firing tear gas dispersed students demanding the overthrow of the government.

The announcement Tuesday by the dissident group, the United Masses Movement for Democracy and Unification, which embraces 22 groups and has a combined membership of more than 20,000, that it would back Mr. Kim was the first presidential endorsement by a major dissident organization.

The group's leader, the Reverend Moon Ik Hwan, said, "We recommend him as the opposition's single candidate because he has shown active attitudes to put an end to military dictatorship."

Kim Dae Jung is locked in a struggle with a rival opposition leader, Kim Young Sam, for support in the presidential elections to be held before Dec. 20.

Kim Young Sam declared his candidacy Saturday, and Kim Dae Jung is expected to announce his candidacy soon. The two Kim's failed to fulfill an earlier commitment that just one of them would run for president.

Mr. Moon's group has played a major role within the main dissident alliance, the National Coalition for a Democratic Constitution.

The coalition of dissident, civil rights and religious groups spearheaded anti-government protests in June that forced President Chun Doo Hwan to accept opposition demands for sweeping political re-

forms and direct presidential elections. The coalition has not announced which candidate it will back.

Rob Tae Woo, a former general, is running as the government candidate.

Aides to Kim Dae Jung welcomed Mr. Moon's endorsement but said their leader wanted to muster more public support before he announces his candidacy.

At Sungkwan University, policemen opened fire with tear gas to prevent about 400 students from marching off the campus. The students, who represent small radical groups, are demanding the immediate overthrow of President Chun, but have attracted little support.

Labor Leader's View
An international labor leader said Tuesday that South Korean autoworkers earned one-seventh as much as Japanese and must be better paid if the country is to become a major car exporter. Reuters reported from Seoul.

Herman Rebhan, general secretary of the 14-million strong International Metalworkers Federation, also said at a Seoul seminar that unions must be free of government control. His federation, based in Geneva, groups 170 unions in 70 countries.

He also demanded that "any striker or workers' representative who was arrested last month" be set free. Hundreds of workers were arrested or charged as labor strife reached a peak last month.



Firemen in asbestos suits after setting fire to hashish.

Hashish Worth \$20 Million Is Destroyed Near Moscow

STARAYA KUPAVNA, U.S.S.R. — Hashish worth \$20 million was burned Tuesday outside Moscow in an operation that officials said demonstrated Soviet cooperation in the fight against drugs.

The operation took place in the countryside near Staraya Kupavna, 22 miles (35 kilometers) east of Moscow. A customs official, Yuri Fedoskin, said it was a symbolic act. "These drugs cannot be used in industry or medicine," he said, "so we decided to destroy them."

Mr. Fedoskin said Soviet customs officers seized the hashish in Moscow in November in the country's first big drug haul. It was detected with the help of dogs in a rail container bound from Afghanistan to West Germany, he said. Found in crates marked as raisins, the hashish weighed 2,666 pounds (1,209 kilograms) and had a street value of \$20 million.

Soviet Rewriting East Bloc Economic Rules

By Jackson Diehl
Washington Post Service
WARSAW — At harvest time three years ago, the Soviet Union's leading agricultural expert traveled to Hungary and spent two days touring the vast cornfields and poultry houses of Babolna, the country's premier cooperative farm.

The visitor was Mikhail S. Gorbachev, then a secretary for agriculture.

Second of two articles

ture on the Central Committee of the Soviet Communist Party, and he must have been an intimidating figure for his hosts.

Hungary, after all, was engaged in a daring and lonely effort to reform the socialist economic system by introducing some principles of capitalism. And Mr. Gorbachev was a representative of a Kremlin leadership that, as the overseer of the Communist system, looked with a mixture of skepticism and distaste on its allies' deviation from orthodoxy.

As it turned out, Babolna's directors had little to fear. Far from preaching, this Moscow expert was intent on studying. The visiting Mr. Gorbachev "asked a lot of questions," Babolna's director, Robert Burgert, recently remembered, and "absorbed everything."

Two and a half years after Mr. Gorbachev moved from his secretary's post to the leadership of Soviet Communism, that visit to the model Hungarian cooperative might be seen as a forerunner of the profound shake-up he has initiated in Moscow's economic relations with Eastern Europe.

Since taking power, Mr. Gorbachev has turned the Soviet Union from the Eastern Bloc's ideological policeman to one of its most avid proponents of radical economic reform. He has elevated Hungary

from the status of maverick to that of model among East European states. He has launched a reorganization of trade and business relations among Communist-ruled countries, with far-reaching implications for the future.

At the heart of that dramatic shift, moreover, is a change of attitude as simple as it is sweeping: Mr. Gorbachev's Soviet Communist leadership, no longer believing that it knows the right economic recipe for Communism, has decided to imitate, rather than dictate to, its more progressive allies.

In the short term, the new Soviet policies have permitted freedom and diversity in the economic practices of states long known for their lock-step imitation of Moscow.

In recent months, both Hungary and Poland have prepared major programs to decentralize control over economic activity and encourage private enterprise going well beyond the initial Soviet measures. At the same time, East Germany and Romania have felt free to reject any change in their highly centralized systems despite the Kremlin's example.

Whether such diversity will continue for long is questionable. In addition to promoting internal reforms, Mr. Gorbachev has made closer economic integration between the Soviet Union and Eastern Europe an important priority.

Changes introduced since 1985 in the trading and investment system of Comecon, as the Eastern Bloc's economic community is known, have increased the pressure on East European countries both to move toward internal reforms and to deliver more and better goods to the Soviet economy.

Now, with those partial measures producing meager results, the Russians have moved to embrace a more radical shake-up of Comecon that, by introducing elements of a

free trade system, could make the move of Communist nations away from centralist socialism both universal and irrevocable.

"The introduction of market mechanisms in intra-Comecon trade will amount to a revolution," said the Romanian editor, Silvia

The introduction of market mechanisms in intra-Comecon trade will amount to a revolution.
— *Silvia Brucan,*
Romanian editor

Brucan, in a recent article for the publication Worldpaper. "Conservative leaders clinging to economic orthodoxy face a formidable challenge that is bound to accelerate the changing of the guard."

One of the first steps toward that future is expected to be taken at a meeting of Comecon prime ministers that began Monday in Moscow. According to official sources, the ministers are due to adopt a long-range plan for reform of the Comecon system that includes the creation in 1991 of the Soviet bloc's first convertible currency — the foundation of free trade.

Compared with the ambitious goals of reformers, the present Comecon plan is a modest one, and sources say Soviet officials and their allies in Hungary and Poland have faced strong opposition from East Germany, Romania and Cuba in promoting the changes. Nevertheless, a Hungarian expert said, "We now have a first step down a path that is clear. Now Gorbachev can use Comecon to force reform."

Both Soviet and East European leaders have strong incentives to reshape economic bonds. The present trading system, introduced in the 1940s by Stalin and virtually unchanged since then, is so inadequate that it tends to stifle exchanges among East European countries as well as with the West, slowing the introduction of new technology and holding down living standards.

The goods exchanged between the Soviet Union and Eastern Europe now tend to be the poorest these countries produce, as each economy saves its best output for export to the West. Many factories in Eastern Europe actually have separate production runs for East and West, with the East run typically receiving cheaper materials, technology and packaging.

It is that reality that largely motivates Mr. Gorbachev. "Socialist countries should cease to exchange shoddy goods among themselves," he said in a visit to Bucharest this year, "and to consider (Comecon) a quarter."

For the Eastern Europeans, the Stalinist organization of Comecon represents one of the chief instruments of Soviet domination of their region.

Under the present system, East bloc nations are forced by their lack of convertible currencies to depend almost exclusively on the Soviet Union for supplies of energy and raw materials and are blocked

from significant economic integration either with each other or with Western Europe.

To get strategic supplies, the East bloc nations are obliged to ship to the Soviet Union up to three-quarters of the total goods they export. They must also invest vast resources in huge, often wasteful energy development projects inside the Soviet Union.

This trade, in turn, has little to do with either prices or money, as socialist countries cannot easily determine the real value of their products and cannot readily exchange units and cannot readily trade their currencies. Instead, trade ministries in each country meet with Soviet officials and each other each year to draw up detailed agreements specifying which and how many goods will be exchanged, from steel and oil to matches and perfume.

For every country, the goal in annual negotiations has become to export as little as possible — and to avoid earning any surplus money. "Nobody's out to make a couple of rubles," said Adam Barczewski, an official of the Polish Foreign Trade Ministry. "Because you can't do anything with a ruble unless it's backed by goods. What we have is an exchange of goods, not money."

The new Comecon plan, first proposed to East bloc leaders by Mr. Gorbachev at a meeting in November, is intended to start the process of reorganizing the basic system. The central element, the creation of a convertible currency for use within Comecon, implies a fundamental change in the operation of Comecon trade as well as in the management of each of the East bloc countries.

With a convertible currency, East European countries would be free to trade among themselves without being limited by the need to balance each product sold with an equal and opposite product. East bloc factories producing the same goods would be forced to compete with each other to make sales within Comecon.

If fully implemented, the reform would give East European nations a real incentive to trade with each other and not only with the Soviet Union. And each country would have to adopt a realistic price system influenced by the world market. Huge subsidies hidden in the present system — mostly from the Soviet Union to Eastern Europe — would be eliminated.

The implications of the change to convertible currencies and free trade, even when limited within Comecon, are so great, and the process of implementing it so complex, that Comecon officials finally agreed on only a partial and gradual introduction of convertibility.

According to the plan due to be adopted this week, the system will be phased in over a period of 10 years beginning in 1991, sources said.

The reform will begin only with specified classes of products and will include only those Comecon countries that volunteer to participate. So far, sources said, only Poland, the Soviet Union, Hungary and Bulgaria have agreed.

M'Bow Short By 3 Votes At UNESCO

The Associated Press
PARIS — Amadou Mahtar M'Bow of Senegal, seeking a third term as head of UNESCO, fell short again Tuesday in voting to nominate a candidate for director-general, missing a majority by three votes.

Mr. M'Bow, who has led the United Nations Educational, Scientific and Cultural Organization for the last 13 years, received 23 votes on the third ballot by the 50-nation executive board, UNESCO officials said. He needed 26 to win.

France, which has strong ties to French-speaking African countries, announced it had backed Mr. M'Bow in the third round. It was the only Western nation to back Mr. M'Bow, who has the support of a large bloc of African countries and other Third World nations.

Delegates planned a fourth secret ballot on Wednesday night. If no candidate wins in that round, a fifth ballot runoff between the two leading candidates will be held.

A former Spanish education minister, Federico Mayor, finished second with 18 votes. Mr. Mayor has the backing of Western nations, Japan and some Third World countries.

Soviet bloc support remained with Nikolai Todorov of Bulgaria, who received five votes. Socialist-moko of Indonesia got three votes, and Shellah Solomon of Timor and Tobago received one vote.

Mr. M'Bow has been criticized by some Western nations for leading the organization into the biggest crisis in its 41-year history, marked by the withdrawal of the United States, Britain and Singapore.

Both the Americans and the British have indicated they would remain out if Mr. M'Bow wins another term.

Duarte Begins Visit to U.S.

United Press International
SAN SALVADOR — President José Napoleón Duarte left Tuesday for his first official state visit to the United States, where he is to meet with President Ronald Reagan and ask for continued U.S. aid. He is scheduled to address the Organization of American States and to speak at the United Nations.

U.S. Homosexuals Show a New Militancy in Drive to End Bias

By Marilyn Barker
Washington Post Service
WASHINGTON — Homosexual activists in the United States say there is a new militancy among their followers, a growing political constituency that is determined to achieve equal rights.

Supreme Court grounds. In the protests Tuesday, the police at one point sealed entrances to the building after groups of demonstrators tried to make their way inside.

Strength, our anger, our resilience and our hope," Ms. Ostberg said. "This civil rights movement has come of age politically, and we are not going back to the days of silent suffering. We are here to demand an end to discrimination now."

Dubbed "Out and Outraged," the gathering protested the court's decision in a 1986 case from Georgia, *Bowers vs. Hardwick*. The ruling upheld the right of states to prosecute consenting adults who engage in homosexual activity in the privacy of their homes.

According to homosexual rights activists, who estimate that there are 25 million homosexual Americans in a nation of 240 million people, the protest illustrates a growing militancy in the campaign for equality — and a link to the civil rights movement by blacks. Twenty-two states and the District of Columbia consider sodomy a

felony, and homosexual rights leaders say they will no longer tolerate discrimination based on sexual preference and practices.

Specific bills supported by march organizers. She said that last week's "lobby days," in which march participants visited congressional offices, did much to enlighten lawmakers.

These were lots of members of Congress who had never met their gay and lesbian constituents — and didn't believe they existed," said Ms. Ostberg. "Well, we've changed that."

Also Monday, in an effort to establish a network for setting a national homosexual agenda, more than 350 rights activists met and voted to create a "lesbian and gay congress" to help coordinate political activities around the country. The congress plans to hold its first meeting next year.

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M'Bow Sh
By 3 Votes
At UNEN

ARTS / LEISURE

The Mousetrap Trap

By Sheridan Morley
International Herald Tribune

LONDON — There is something frightening going on in the West End at present, and it is not, alas, the revival of an Agatha Christie thriller at the Duke of York's. At a time when more shows, admittedly mainly musicals, are selling out in central London than ever before, a number of other theaters seem to have so lost spirit and heart and soul that they are taking in plays that would barely have had a chance of survival on the end of a seaside pier 30 years ago. If there was some sort of minimum quality control it is doubtful that "And Then There Were None" would have got as far as a first rehearsal, let alone a first night.

Admittedly there is a special problem with Agatha Christie, and it is called "The Mousetrap." Because that terrible little thriller has survived something like 40 years in London, there has developed a theory that there must be money in all these little thrillers by Agatha Christie. What is forgotten is that, by surviving in a very small theater for a decade or so, "The Mousetrap" achieved a tourist status akin to the Changing of the Guard or the Tower of London. People go to "The Mousetrap" because it is a sight to be seen, not a play to be enjoyed.

From the beginning. Whenever they bought a Christie plot, they also bought writers who could make it work. This particular saga is the one she wrote in 1939 as a novel called "Ten Little Niggers." In later and more racially conscious times it became known as "Ten Little Indians" and now (presumably to offend no one, except of course the people who have to sit through it) it is known by the

THE LONDON STAGE

last line of the verse that gives the play its narrative drive, or rather its shambling limp.

In case you have managed to forget it, this is the tale about 10 people trapped on a deserted island off the coast of Devon who keep coming to violent ends. Hollywood filmed it at least twice, recognizing that there was nothing there that couldn't be put right by a good writer and a group of distinguished guest stars. At the Duke of York's, however, we are locked into what appears to be the original text and a distinctly undercast company of traveling players from Nottingham.

For at least one scene Glynis Barber wears a spectacular metal dress apparently assembled from melted cigarette lighters, and throughout the evening Rodney Bewes, wearing a moustache and a South African accent of almost equal eccentricity, performs with a commendable kind of energy, as if believing that somewhere in this mystery there might actually be a play.

Although Miriam Karlin as a sinister spinster keeps at least her center stage moments up to a level of old-fashioned adequacy, the rest of Kenneth Alan Taylor's production is a stunningly depressing ex-

ample of how low the West End is currently willing to sink in its search for recycled old money-spinners.

At the Young Vic Studio, "Waterloo Road" is a marvelous idea gone terribly wrong. The idea, by the Magna Carta company, was to tell the story of Lillian Baylis on a stage just across the road from the Vic that she pioneered and ran for much of the first half of the century. It has gone wrong because nobody seems to know whether they are doing a documentary or a play or building a memorial.

Baylis was a legendary old battle-ax with a sharp belief in heaven and the loyalty of a local south London audience, to whom she would bring in messianic fashion the word of Shakespeare. "Dear God send me actors" was her prayer, "and send them cheap." If they weren't good enough, she was also the first to review them. "Well," she told a sweating young man staggering off the stage after he had just been thrown in the deep end as an understudy to play Hamlet, "you've had your chance, and missed it."

Once, when the National was abandoning the Old Vic for its new concrete fun palace on the South Bank, Peggy Ashcroft read some of the Baylis letters at a charity concert and gave some idea of the fire and the fury with which she has to be played.

In the present company Barbara Kinghorn manages only a kind of querulous muttering, while the script by Robert Gordon and Vera Göttheb never even begins to grapple with the social and theatrical issues that were at the heart of the Old Vic management. All we get here are some weird offstage extracts from famous plays heard as through a tunnel.



Blair's black satin bustier (left), and Conran's diagonally striped mini.

London Styles Waffle

By Bernadine Morris
New York Times Service

LONDON — The Italian design-led era, with their strong fashion message, proved a hard act to follow. In Milan last week a new, sleekly feminine fashion era was heralded by slickly tailored long jackets combined with very short skirts. In the four days of spring and summer showings here, the mood was far less decisive.

The best styles were the soft, floppy, short-cliffed skirts for evening. But there were many long styles and, worst of all, attempts to compromise, as in a long full skirt opening on a short narrow underskirt. The city that gave us the miniskirt 25 years ago was not leading the move to its revival.

There were other attempts to bring back the spirit of the 1960s, when British designers were the liveliest in the world, but they didn't seem effective. Katharine

Hammert's bell-bottom blue jeans and tie-dyed T-shirts did not seem relevant; she was more successful with fall taffeta skirts. Chemise dresses by Georgina Godley were simply boring.

Instead of applauding the inventiveness or even the abrasiveness of the collections, people were talking about who got what idea from whom. Fashion, of course, is a constant matter of give and take, and who did it first is not nearly as significant as who did it best. The British, even in recent years, have been credited with many new ideas. It was the lack of a strong sense of direction this time that led to all the talk about derivation.

The scene was by no means totally bleak, however. Despite its Japanese overtones, the collection of John Galiano not only was satisfying but showed his growth as a designer. He has already presented imaginative collections, each with a different point of view.

This time he focused on a pretty, gentle look. The emphasis is on snug high waisted, often belted, tops with bodies with soft floppy capsize collars. The full skirts often have hems that are turned under for a puffy effect. These hemlines are sometimes irregular, call length in front and curving up above the knees in back. The back of the knee is not usually a focal point of design. It is a tribute to Galiano's technique that he makes this difficult line look graceful.

Very pale green is one of his

favorite colors, accented by other watercolor shades like peach or mauve. Instead of white stockings, he favors lightly tinted shades, and he always has his models wear shoulder-high gloves. He represents British eccentricity at its best.

Similar themes turn up in the collection of Jasper Conran, which looks younger than ever. He favors soft, masculine, bright colors and short full skirts. He is one of the few to take shorts seriously and to present trousers as well, combining both long and short pants with short fitted jackets. Conran, now 37, has designed for his own company since he was 19. His clothes always had a slick, sophisticated air. Now they look livelier.

Alistair Blair, who dedicated himself to restoring a quality look to British fashion when he opened his business two years ago, must fight a tendency to be too lavish in his design. But when he does not overdecorate them, his styles are distinguished. They are best when he sticks to one color and handles ruffles with discretion. His white organdy blouse and high-waisted skirt make one of the best informal bridal outfits seen anywhere.

Evening dresses are a specialty of designers here, and the newest to make her mark is Linda Clerch. A dressmaker who made the wedding dress Sarah Ferguson wore when she married Prince Andrew last year, Clerch now does a wholesale collection that she sells to Lord & Taylor, Neiman-Marcus



Galiano: Emphasizing the back of the knee.

and Holt Renfrew in Montreal. She specializes in short frothy dresses marked with glitter and embroidery. Short dresses are acceptable even at balls today, Clerch says.

Calif-length linen dresses turn up at the Workers for Freedom collection designed by Richard Not and Graham Fraser. The audience received these longer hemlines with aplomb. It was the blue sequin-studded boxer shorts for men that caused the stir. Nobody recalled ever seeing anything quite like them.

Jean Muir showed her unpretentious clothes in an unpretentious manner in her showroom. Non-

servative in a masterly manner, she included unviewed black jeans dresses, gender cashmere sweaters and white leather suits. Everything was very low key. A snugly fitted jacket with a ruffled peplum at the hips was one of her flirty styles. She showed in leather, damask and silk, among other fabrics. In her collection with a green skirt, it made a brilliant flash among the muted styles.

The heroine of the fashion show was clearly Prime Minister Margaret Thatcher, who sandwiched a visit to Olympia, the convention center where 325 designers presented their styles, on Saturday.

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Portugal Esc.	22,000	12,000	6,600	Esc. 64.56	Esc. 23,590						
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Switzerland S.Fr.	510	280	154	S.Fr. 1.10	S.Fr. 400						
Rest of Europe, North Africa, former French Africa, Middle East \$		430	230							Varies by country	
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INTEGRATED MANUFACTURING

Transforming the quick fix of high-tech into a long-term strategy, computer integrated manufacturing melds information technology and automation into the flexible factory of the future.

At a secluded center in Warwick, England, a team of executives race against the clock to meet new design criteria and a tight delivery schedule for gearbox components. Their standard design is displayed, assessed and amended on a computer terminal. Then, as it is coded, a sales price is automatically sent to the customer.

Meanwhile, they review the production schedule and prepare programs to manufacture, inspect and assemble the finished product. These electronic instructions are passed to a series of machine tools and, after a swift check to ensure that sufficient raw materials are available, the order can be confirmed.

As the first block of metal moves onto the conveyor, they return to their screens to tackle the next problem on the agenda.

Simple examples like these help IBM to demonstrate Computer Integrated Manufacturing (CIM) in action. Those that favor the hard facts might prefer to look at the company's own record.

Industrial engineering, traditionally one of the company's greatest strengths, has reached new heights of refine-

ment with the computer aided design of microchips, and extensive testing in which one computer solemnly checks another. The results are self-evident: while quality has been increased, its cost has gone down.

Traditionally, the reverse has been the case. Increases in quality have generally incurred additional time and manufacturing costs. But this is no longer applicable when a robot automatically assembles and tests component parts.

Hewlett Packard has used much the same method to reduce its own internal failure rate by 10 percent and its costs by 20 percent while doubling throughput.

Now CIM is becoming big business as other companies strive to improve their performance in similar ways. The world market for manufacturing automation — including computers, software and systems — is currently estimated at between \$27.5 billion and \$35 billion, with the United States accounting for nearly 50 percent of it.

Ever since the first robot joined General Motor's production line in 1961, the automobile industry has led the way. Today it accounts for 22 percent of the market. Second



largest customer is the chemical industry (13 percent) followed by non-electrical goods (9 percent) and the electrical and petroleum sectors (8 percent each).

Hewlett Packard's CIM consultants say "computer integration for the manufacturing industry" would explain the concept better. They point out that CIM doesn't come down to a simple computer purchase; it affects every department in a company.

The ultimate goal is to integrate everything from pre-sales negotiations and order entry to final delivery of the product.

Design, planning, accounting, manufacturing, inventory and quality control should all play a part in the total CIM solution.

Yet American companies have focused almost exclusively on automating individual pieces of equipment. Dataquest estimates that only

4 percent of their automation investment goes toward integrating equipment into work cells. This compares with 15 percent in Asia and 26 percent in Western Europe.

The drop in the dollar has set big exporters scrambling to increase efficiency in order to lower product costs. Experts say it is no coincidence that West Germany, which exports more than half the goods it produces, accounts for a third of Western Eu-

rope's automation market. France is second with 18 percent of the market, followed by Italy (16 percent) and Britain (13 percent).

The European Community has also become involved, spending \$120 million over the last five years on developing ideas for the factory of the future. It is now proposed that \$1.2 billion be spent on CIM research over the next five years. This readiness to invest stems from the strong Europe-

an tradition of cooperation between governments, universities and individual companies. Not only does cooperation between industry and universities allow West European companies to maximize research and development, it also helps to train people for the future.

West European companies also realize they must be globally competitive, prompting a trend toward cross-border joint ventures. France's

Thomson Semiconductors and Italy's SGS Semiconductors have merged. Siemens, Bull and ICL are cooperating on technology for the next generation of computers.

Some large firms such as France's Renault have taken advantage of their own manufacturing expertise to develop products and services for new business developments. Renault Automation has become

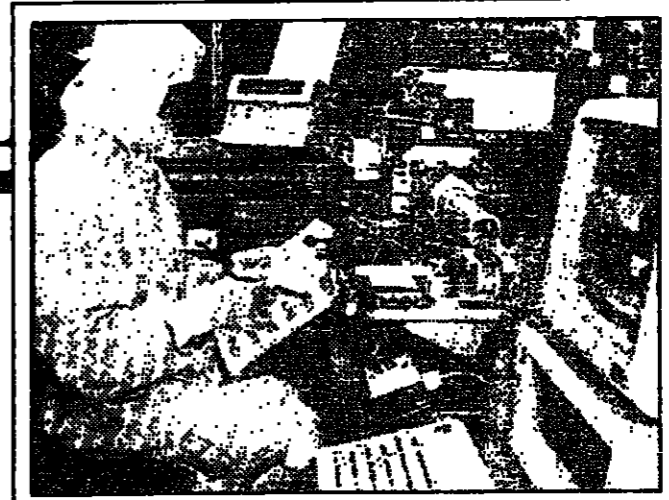
See CIM, Page 13

The Next Industrial Revolution?

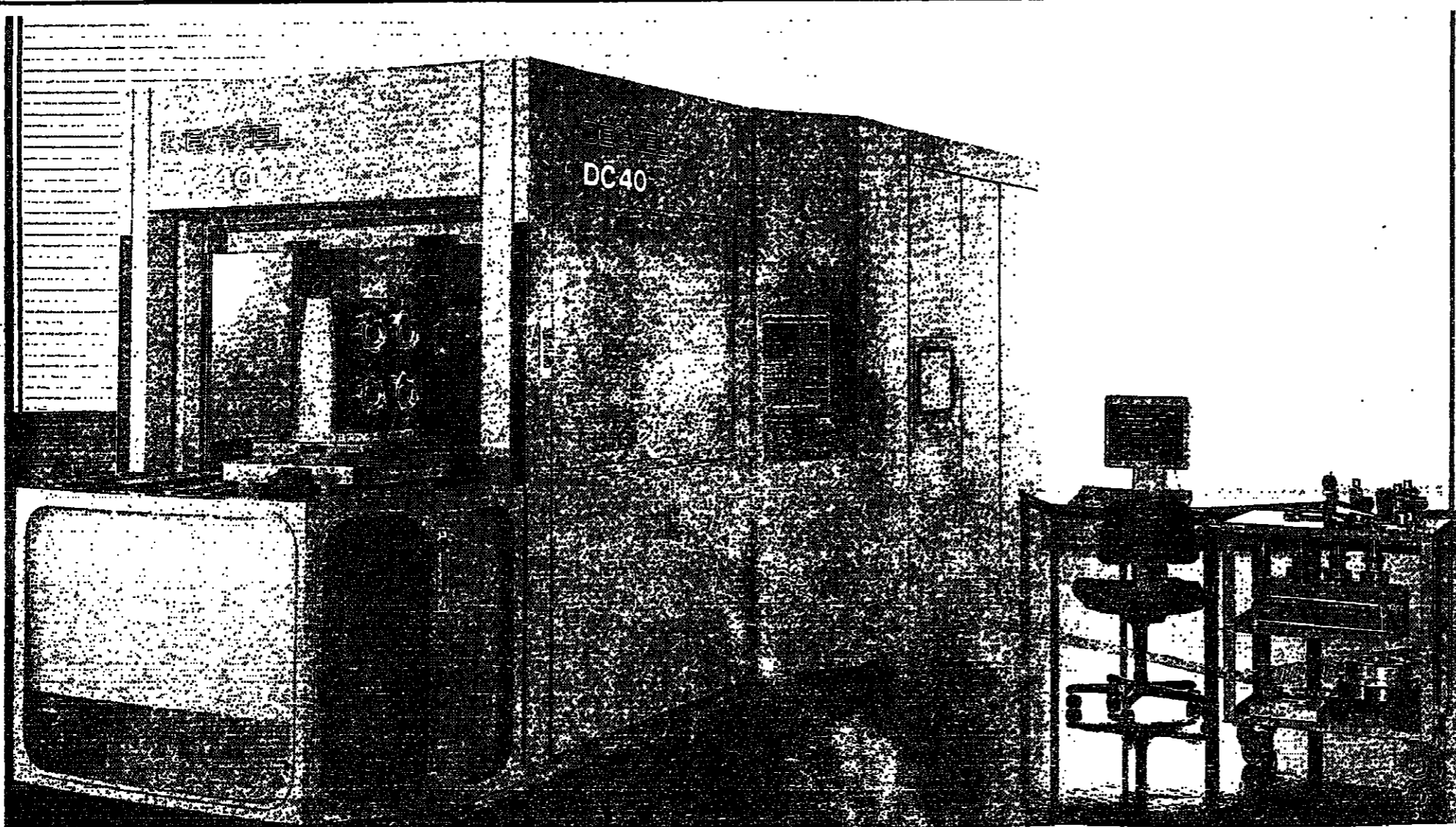
In Japan, where fierce competition has led to industrial overcapacity, manufacturers are relying on flexible machine tools to keep pace with shorter and shorter product cycles.

The United States, where companies spent nearly \$50 billion on similar equipment between 1981 and 1986, is clearly anxious to protect its own manufacturing base. Giant corporations like General Motors, Boeing and IBM have won the first round in the fight to automate but now find themselves faced with new problems such as standardization. Meanwhile, information technology is streamlining the traditional management functions that generally account for at least 40 percent of the overhead in Western factories.

In Europe, where 28,000 robots are already at work on production lines, the major growth area is research. International projects such as Esprit, Race and Brite, national initiatives such as the Alvey program in England and a further \$1.5 billion to be spent over the next five years provide one form of incentive. But the real prize at stake is the future of the European manufacturing sector. Will CIM get off the drawing board and onto the shop floor in time to save the situation?



Right: An operator scans fragile components and sends information from the production line back to a central computer.



Gaps in the market are closing rapidly, customer requirements are becoming more individual, while batch sizes get smaller. The time is ripe for flexible manufacturing cells. FMC's allow you to machine a wide variety of parts from start to finish. And you can put your machines to better use by manufacturing during an unmanned extra shift.

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Business Driven Decisions

THE problems facing automobile manufacturers are greater than the sum of their parts. Around 30,000 components go into each vehicle and at least one car per minute rolls off the production line. Meanwhile, the pressure to produce new models is shortening the product cycle and the days when clients accepted "any color so long as it's black" are long gone.

Prompted by the oil crisis and challenged by Japan, manufacturers in America and Europe were quick to experiment with robots in the 1970s. Today they are equally enthusiastic advocates of CIM. It not only suits the structure of their business; worldwide competition leaves them no choice.

Robots convert information into motion to perform such functions as spotwelding and lifting. But Dick Beecher, a robotics specialist at General Motors Technical Center in Warren, Michigan, says they are most cost-effective when applied to difficult tasks.

At one General Motors plant in the United States, two robots take pallet-loads of small machined parts off a conveyor, peel off the protective packaging and then select groups of parts from the open plastic trays.

These robots are equipped with machine vision. They use cameras to match the position of the parts against a pre-recorded pattern, moving their robotic arms and rotating their grippers until they are ready to lift the parts and move them on to another conveyor.

But robots are only part of the CIM picture. Information ultimately controls everything from production levels to delivery schedules. Volvo, for in-

stance, uses transportation companies such as Schenker of Frankfurt that are so specialized they offer same-day delivery to Sweden from Central and Southern Europe.

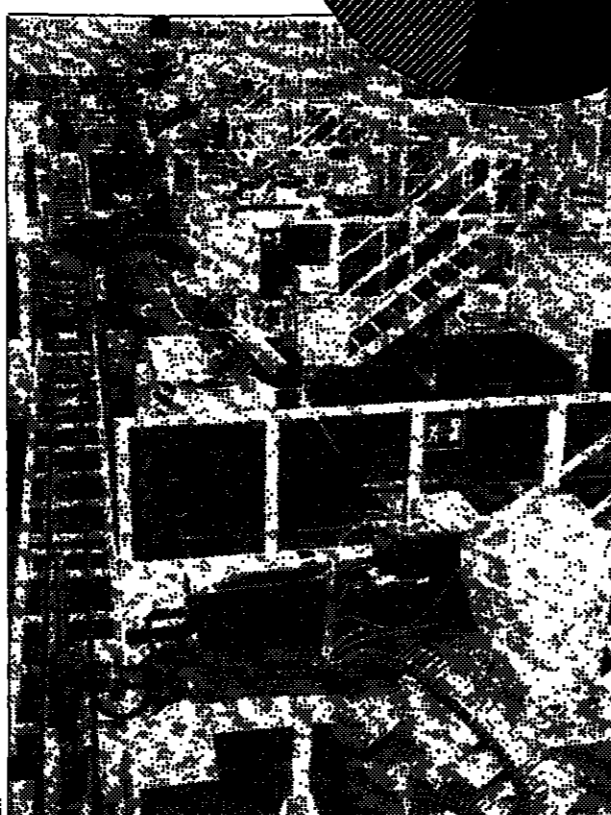
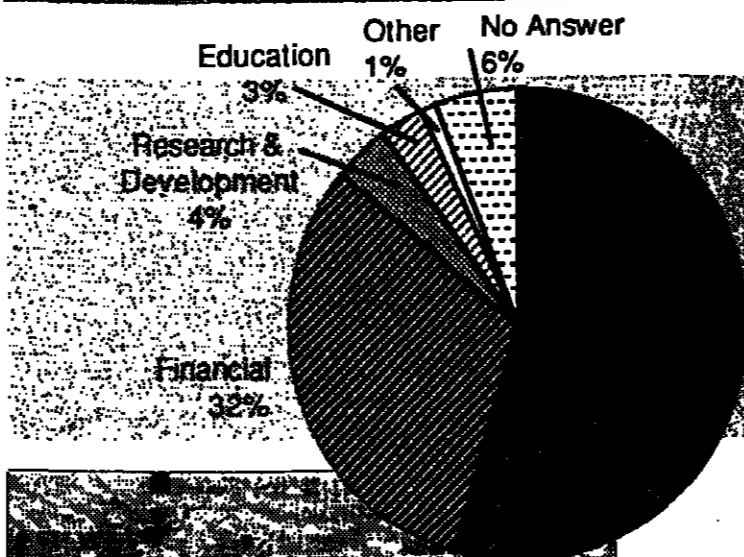
Richard E. Dauch, executive vice president for production at Chrysler, has been applying computer control to production since 1980. As a result, he claims Chrysler has improved quality and more than doubled its turnover of inventory thanks to just-in-time scheduling. Chrysler has significantly increased production without adding new plants, largely "due to proper application of computers," adds Dauch.

BMW's Hans Koch says his company's CIM system covers production planning and control, logistics, research and development, parts production and assembly as well as quality control.

Three computer centers form the core of the system: with one at the corporate level and two more in the scientific and research and development departments. They are linked together and support nearly 5,000 terminals in the various factories. The company also uses 50 stand-alone systems and 1,000 personal computers. BMW's latest addition to this information network is an ever-increasing number of computer-based production machines that rely on the network for information.

One of the most difficult problems this presents is compatibility. BMW has over 1,000 vendors with which it exchanges large amounts of data, ranging from parts drawings to order quantities. But the company found that only half of them had CAD (computer-aided design) systems and few of these were compatible.

JUSTIFICATIONS FOR CIM



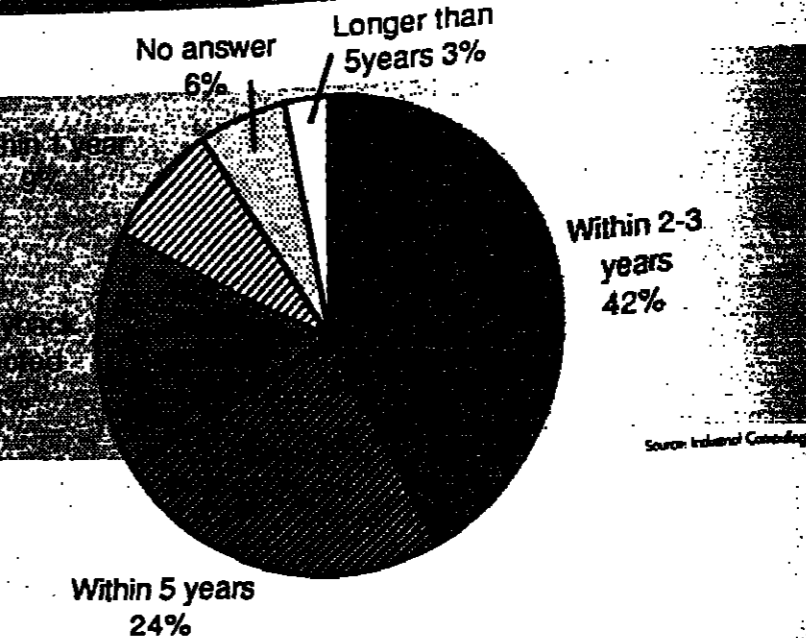
Most efforts to overcome the problem rely on machine conversion in which data is generally reduced to the smallest common denominator. This, in turn, leads to a significant loss of data, so drawings still have to be reconstructed when moved from one system to another.

Yet the cost of CIM systems is by no means exorbitant, and the regular cycle of new models simplifies the introduction of more CIM

equipment each year. While this has helped the car industry to adopt information technology far faster than other manufacturing industries, it has also fostered a piecemeal approach in many areas.

Ironically, as Bill Kalb, contributing editor of the magazine *Automotive Industries*, explains: "The mass producers may be learning fastest but, in fact, small companies are the only ones with a complete CIM strategy."

EXPECTED PAYBACK FOR CIM



The Need for New Skills

IN a recent survey by the British magazine *Industrial Computing*, one in three companies agreed that computerization cost jobs. Yet government-sponsored research predicts that, in the long term, CIM will create more work as companies gain additional business and an increased market share.

Strengthening the case for optimism, the magazine did identify an imbalance between the number of companies that already have CIM strategies and the proportion of those that have the skills to implement them. In Japan, 40 percent of the factory workers using computerized tools are engineering graduates. Similar firms in America have one college-trained engineer for every dozen workers. But in Europe there is a chronic shortage of qualified personnel.

Britain, having recognized its lack of mechanical designers and engineers, is seeing demand for the latter double every five years. In France there are not enough mathematicians. High-tech companies in the south of Germany

are competing for the services of skilled workers and, across the continent, programmers and systems analysts remain in short supply.

Universities will play a leading role in providing the engineering skills of the future, according to Dataquest, a Californian research firm. Identifying Western Europe, and most particularly West Germany, as a clear leader in terms of corporate, government and university cooperation, Dataquest contrasted the highly motivated European students with their counterparts in the United States. A sign of the times was the recent Hannover Fair, where over a dozen universities exhibited their own state-of-the-art developments.

But what will happen to the current generation of skilled workmen such as machinists whose jobs are clearly endangered by these high-tech developments? With their experience they are the people best qualified to understand machine sequencing and the operations that must be specified. As the move toward CIM

gathers momentum, it is likely that they will turn to production engineering and parts programming.

Paradoxically, the areas where the greatest changes are likely to be felt are the farthest from the shop floor.

No CIM strategy is complete without a thorough review of the inventory, goods in stock and work in progress that are costing the company money. Streamlining these procedures to cut overall costs is as much a part of CIM as any robot or computer. The main technique — known as "just in time" or JIT — requires very little investment, but delivers immediate, clearly quantifiable benefits.

Adopting this philosophy necessitates the close analysis of traditional management functions such as manufacturing resource planning — the biggest single source of overhead costs in most Western factories.

This area has been a focus of attention since the beginning of the decade, but only now is software beginning to exploit the possibilities of ty-

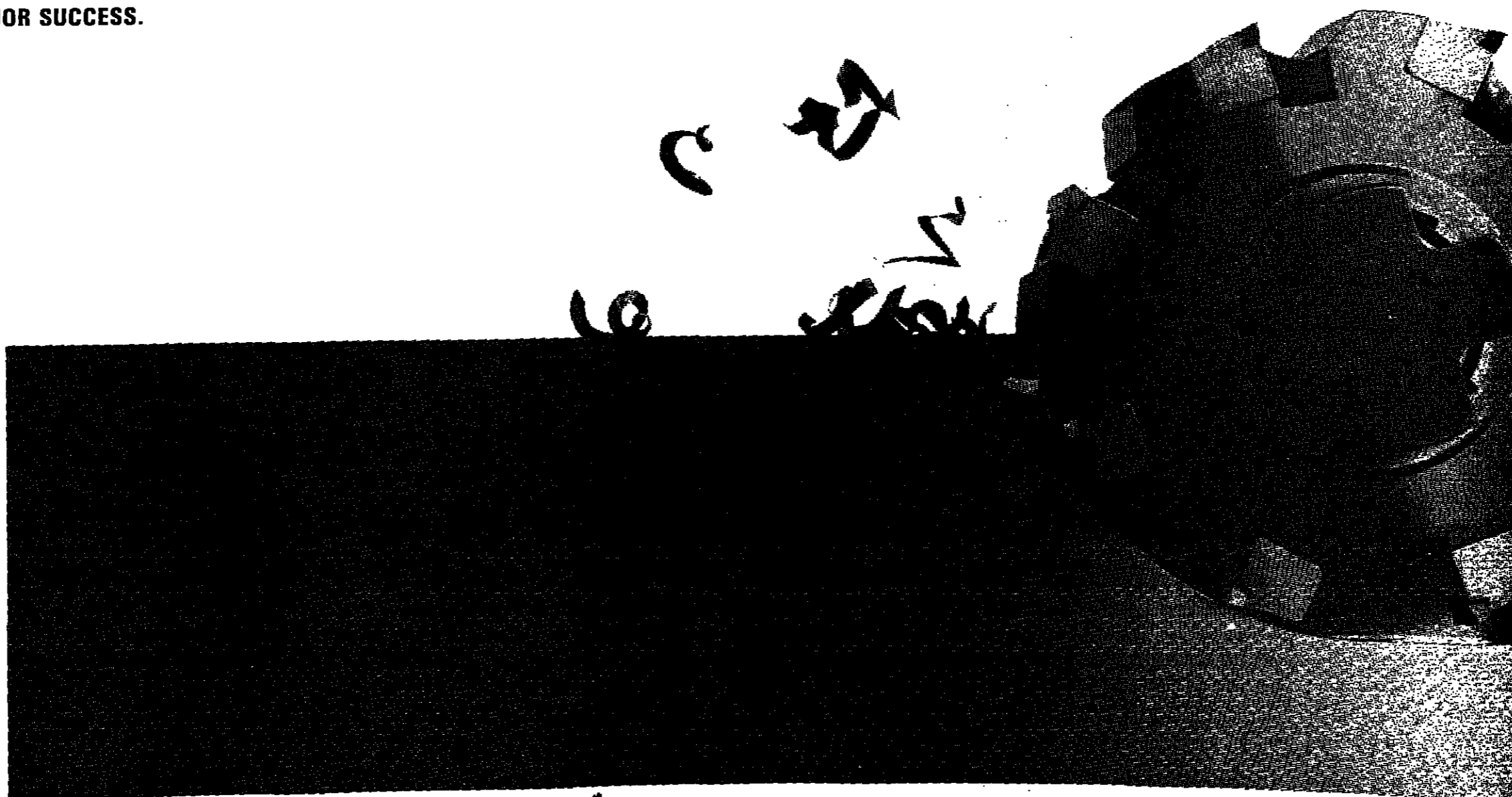
ing such functions into a complete CIM system.

The merging of disciplines is forcing companies to re-examine their preconceptions. Today it is engineers that order the materials, and shop floor controllers that tell the warehouse when they need more. For those that remain, there will always be work to do when the well-oiled machine grinds to a halt.

Robots may be getting smarter, but they still lack the human touch. On Ford's semi-automated transmission line in Michigan, one of the most critical tasks involves guiding a gearset down into its cast-and-machined housing and engaging the main transmission shaft. Using a counterbalanced hoist, the operator lowers the gearset and carefully positions it by hand; no machine has the right "feel" for the task.

But as inventories are slashed and more information flows from system to system, the role of middle management is sure to change. Otherwise, according to one commentator, "you are only automating the problem."

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Closing the Information Gap

INTEGRATED information is developing into such a powerful tool in manufacturing companies that it needs to be thoroughly understood by top management. All too often, the fundamentals are needlessly obscured by jargon.

The confusion comes from focusing on components, such as a CAD/CAM (computer-aided design/computer-aided manufacturing) computer, rather than the characteristics of the completed information system, according to PA Technology's Thomas Snell.

"Only one top manager in 10 has a solid strategy for using information technology in his company and 65 percent of all manufacturers are implementing CIM tools with little regard to an overall system," he says. "Sections of the overall system are like bricks which are useless until fitted together into a house."

One supply house, American Hospital Supply, decided to quadruple its 20 percent market share in the late 1970s and succeeded. Its strategy was to replace the sales force with computer terminals at all customer premises. Customers could not only see what was available but order it and get instantaneous electronic confirmation.

One IBM user, a manufacturer, set itself the goal of becoming the quality leader in its industry while improving response times. It succeeded by linking its order entry system to assembly robots capable of mass producing individual units free from human error.

Top management in all areas of a manufacturing company need to grasp how CIM can aid in changing company goals and strategies.

According to Mr. Schäfer of AEG: "The purpose of CIM is to have the latest necessary information available at the right time and the right place. Furthermore, the base for decisions should be created faster and better, resulting in higher flexibility during the whole process of production."

Information that is stored on a computer and transmitted down a telephone line

saves time and money. Integrated information systems also allow a person in Kowloon to do work in Cologne, Cambridge or Caracas. General Electric Information Services offers a worldwide information network with computer centers in Maryland, Amsterdam and Hong Kong to support such systems. It is no longer essential to be on the premises to get things done.

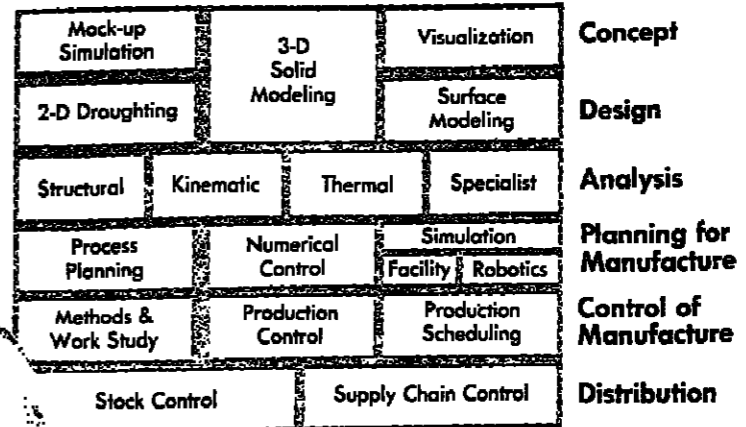
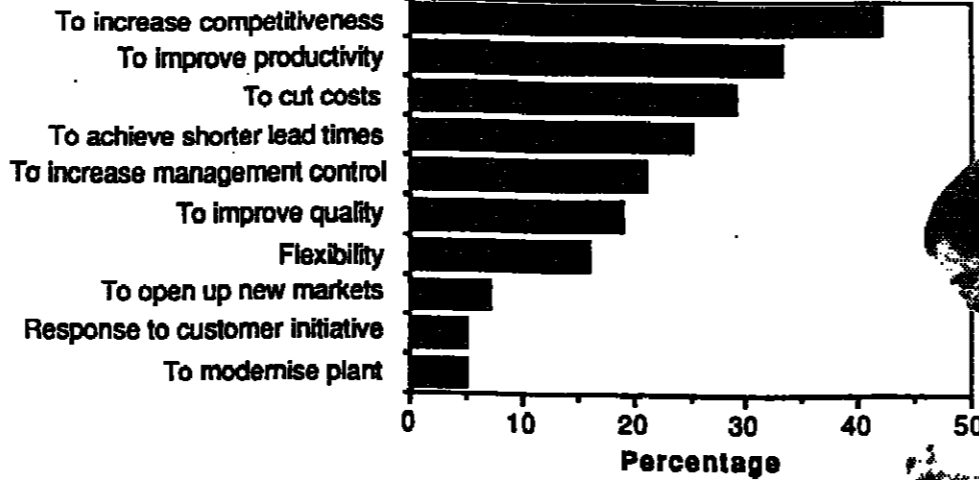
Furthermore, static information can be converted into motion. Traub machining stations are totally controlled by software, a fact that is reflected in the company's engineering department, where 56 percent of the engineers work in the software section. Once the shape of a product has been defined in terms of digital information, it can be converted into the coordinates a robot uses to move its arm from point to point.

"In this way we use robot cells in our Greenock Scotland factory to build keyboards for personal computers," says Taj Puri of IBM. A further development is speech. Static information can be captured in the form of text and fed into a synthesizer, which allows the computer to talk.

With CIM, duplication can be eliminated. In the average manufacturing company over 150 duplications occur in a standard order. Information entered one place in an integrated system can be used elsewhere. This not only cuts labor costs, it also reduces the chances of error.

"On the one hand, growing competitive pressure forces companies to make unproductive procedures, such as the manual exchange of information, more cost-effective. On the other hand, increasing product diversity, particularly in the metalworking industry, demands accelerated development and production. German industry's strong reliance on exports calls for an improved capability to respond to numerous individual market requirements that can change at short notice. These challenges must be met not only by large companies, but primarily by small and medium-size opera-

MAIN OBJECTIVES OF CIM PLAN



Left: circuits are assembled under program control. Above: all components can be swiftly identified.

tions if they want to remain competitive," as Dr. Hannes Polisch of Decker AG explains.

Integrated systems, if organized correctly, allow information in the system to be retrieved anywhere in the world. "Salesmen can check the availability of a product in the warehouse using a mailbox system," says G. Nissen of COMBOX, "and they are not tied to any one place or piece of equipment. A handheld computer can be used at home or in a hotel room."

This also applies to the customer's office, where the salesman will be able to call up product descriptions stored on the home office computer system. At another level, if everyone uses the same original it will always be up to date. Furthermore, departments need not stagger their work because information has not reached them yet.

"Less than 10 percent of order throughput time is work time," Snell says. "Ninety percent of the time someone is waiting to start work, because information is missing."

If the information has been entered in the system, it is



Operating an automated system for machining metal.

available. However, as Eberhard Knoblauch, president of Hewlett-Packard, Germany, says, "It will take some time before all companies will be so far along that data can really be entered once only and then retrieved everywhere it is needed."

Maho AG, a German manufacturing company, uses flexible manufacturing cells as well as CAD/CAM, and is moving toward enlarged, integrated systems. But Dr. Georg Wenzel, the company's vice president, takes a realistic view of the work that remains. "Computer Integrated Manufacturing is so broad that CIM

can only be a goal. A goal that has information processing systems throughout the whole company at its very end. This goal cannot be reached in one step — it is a task for the whole future. In day-to-day reality more and more so-called 'islands' are created — smaller units of integrated systems."

The architecture of the system will depend on the type of company and its industry structure. Executives in high-volume production will have different information needs and strategies than those in job shop operations or in the processing industry.

Nonetheless, there are several issues all top managers must be able to cope with regardless of what industry they are in. The first is when to start with CIM.

Norman Scofield of PA Management Consultants in London says: "The time is now. The key factor is the combination of entrepreneurial creativity and a new technology. If the management of a company exhibits innovative flair, information technology offers a competitive advantage."

The second issue is how to go about it, and Scofield cautions that "management should proceed step by careful step." Information technology is in a revolutionary phase that may continue for a decade or longer, he says. Good communication requires standards and there are too few of them around today. On the other hand, the advantages from even partial solutions are so significant that no company can afford to ignore CIM.

Rough estimates by specialists say 63 percent of today's investments are not part of an overall strategy. With the technology still in its "embryonic stage," as John Wargin of Hewlett Packard points out, shortsighted investments run in the hundreds of millions of dollars. A decision that fails to take future developments into account can easily produce a useless investment, so the rule to follow is: Release the first investment only after the last step in planning has been completed.

The principles behind CIM are not complicated; the systems themselves are. The wise manager will proceed cautiously but soon.

CIM (Continued from Page 11)

a worldwide supplier of systems for robotics and material handling.

In one venture, Renault Automation has joined with Comeau of Italy and the German subsidiary of Digital Equipment Company to design CIM software for small-batch production. They aim to create a control architecture that is standard enough to allow many companies to write specific software to work within the system.

Standardization has been a major headache for CIM users. General Motors, which uses more than 40,000 intelligent devices for design and manufacturing operations, estimates that 50 percent of the cost of installing new automation is spent making one computer talk to another.

GM moved to solve the problem by writing a Manufacturing Automation Protocol (MAP) and giving suppliers until 1988 to conform to its standards. Because of GM's sheer size, MAP is becoming accepted by most major U.S. manufacturing companies and in Europe as well. It has not, however, been implemented in many factories yet, except a few GM plants — and even in these not all seven layers of control are fully integrated.

Being is now trying to create a similar standard for the engineering department with its Technical Office Protocol (TOP).

But, for many companies, the cost of implementation is still too high. They are staying with proprietary protocols which are cheaper and more efficient in the short term.

Parallel to manufacturing control, developments in quality control are also moving onto the production line.

"Currently, about 15 percent of the American and 10 percent of the German workforce aren't producing," says John Wargin of Hewlett Packard, Germany. "Instead, they are occupied with repairs and correcting errors. An immense boom is expected in this market over the next five years."

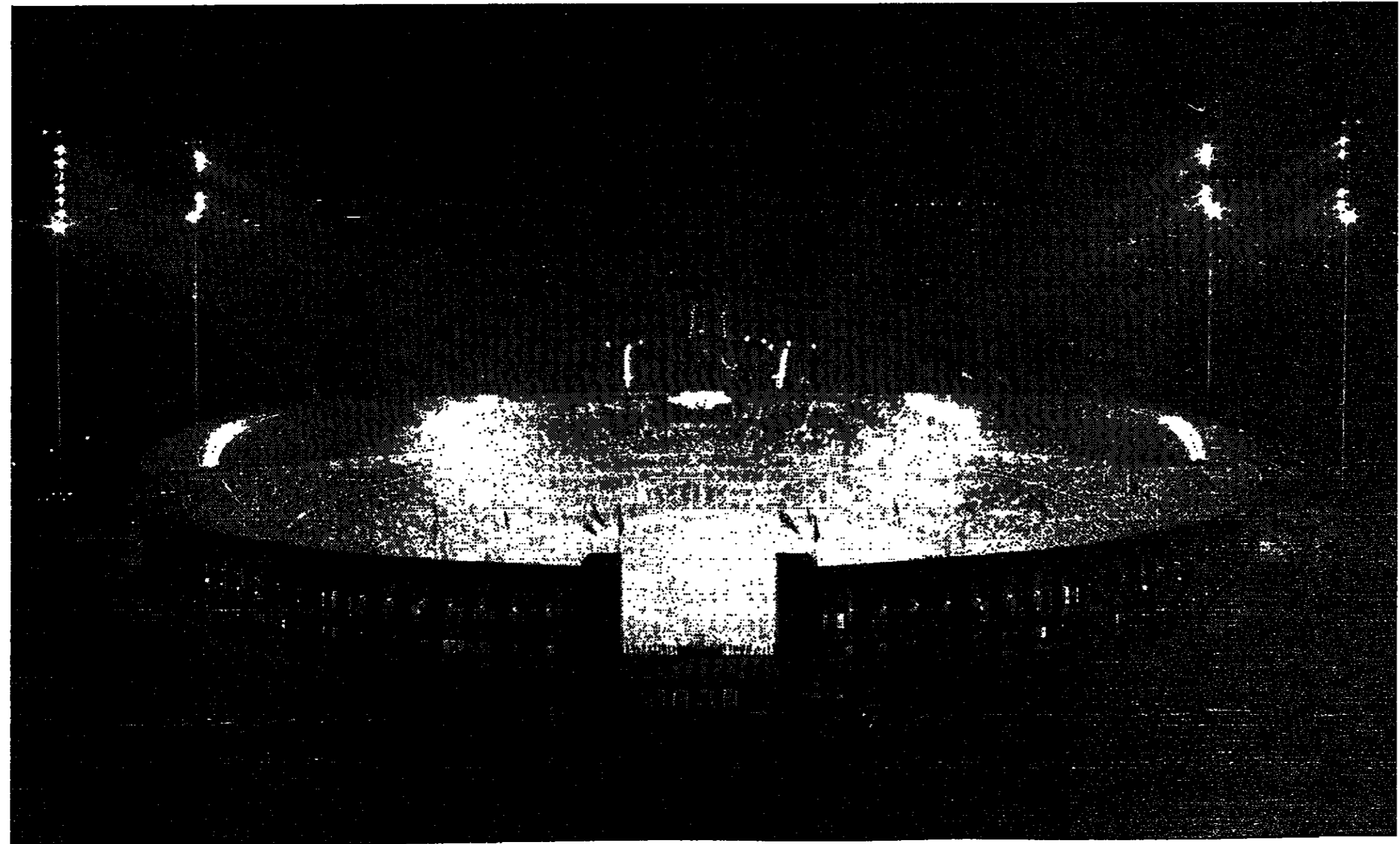
Computer aided quality covers more than the automatic inspection of parts. It also includes computer checks on specific dimensions and the integration of these results into useful data.

There is also in-process gauging, which means taking a measurement of a part just machined or formed, comparing the dimension to an established standard and then adjusting the machinery through feedback circuits. This is generally called "adaptive control" and experts say it can often reduce or even eliminate errors in machining and forming parts to specified dimensions.

In isolation, such techniques are interesting. When combined together, they can drastically alter a business. Most observers agree that CIM will totally change the thinking of top management. As one of them remarks: "You have to see it two ways. Should I do it? And what happens if I don't?"

This Advertising Section was prepared by J. Götzel.

There's a power failure — but nobody has even noticed.



The city of Berlin has to cover its electricity requirements with its own power stations and cannot fall back on the European grid to cope with peak demand. AEG designed and built the world's first and largest (17 MW) battery storage system in commercial use. It feeds standby power into the Berlin mains in a fraction of a second — without pollution.

Headquarters: AEG Aktiengesellschaft · Z 15 · Theodor-Storm-Kai 1 · D-6000 Frankfurt 70 · West Germany

Innovative technology from AEG. Here's more:

AEG's flexible automation systems: they boost production, cut energy costs and improve quality by providing numerous components with electronic intelligence that enables them to intercommunicate. This allows human workers to take up more challenging jobs than just looking after machines.

We currently have, under test, an automatic speech recognition system which will turn computers into "listeners" as well as "thinkers". Future generations of computers will take direction from the human voice, not the keyboard. The result? Simplified interaction between human and machine, and expansion of computer applications.

Error-free and reliable production software guarantees a smooth material flow and economical automation. ProMod, a software development environment, ensures high-quality, accurate and economical software. ProMod is integrated into the comprehensive advisory services of the AEG subsidiary and systems designer GEI.

AEG

Symbol	Vol.	High	Low	Last	Chg.
IBM	29412	242	238	240	+2
IBM	28812	238	234	236	+2
IBM	28812	234	230	232	+2
IBM	28812	230	226	228	+2
IBM	28812	226	222	224	+2

NYSE 4 p.m. volume	172,508,000
NYSE 4 p.m. volume	172,508,000
NYSE 4 p.m. volume	172,508,000
NYSE 4 p.m. volume	172,508,000
NYSE 4 p.m. volume	172,508,000

High	Low	Close	Chg.
NYSE	3159.25	3159.25	+36.72
Dow Jones	2725.12	2725.12	+18.45
Standard & Poor's	2485.34	2485.34	+15.23

Tuesday's NYSE Closing

Via The Associated Press

Symbol	Close	Prev.
Advanced	12.50	12.50
Declined	12.50	12.50
Unchanged	12.50	12.50
New High	12.50	12.50
New Low	12.50	12.50

Close	Prev.	Week	Year	
NASDAQ	112.34	112.34	+1.23	+15.67

Symbol	Vol.	High	Low	Last	Chg.
AMEX 1	1000	1.10	1.05	1.08	+0.03
AMEX 2	2000	2.20	2.15	2.18	+0.03
AMEX 3	3000	3.30	3.25	3.28	+0.03

Bonds	Close	Chg.
Govt	112.34	+0.12
Corp	112.34	+0.12
Industrials	112.34	+0.12

Symbol	Close	Prev.
NYSE	3159.25	3159.25
Dow Jones	2725.12	2725.12
Standard & Poor's	2485.34	2485.34

Buy	Sales	Share
IBM	1000	1000
IBM	2000	2000
IBM	3000	3000

Open	High	Low	Last	Chg.
Dow Jones	2710.12	2725.12	2725.12	+18.45

Industry	High	Low	Close	Chg.
Industrials	2470.12	2485.34	2485.34	+15.23
Utilities	2470.12	2485.34	2485.34	+15.23
Finance	2470.12	2485.34	2485.34	+15.23

Symbol	Close	Prev.
NASDAQ	112.34	112.34
Advanced	112.34	112.34
Declined	112.34	112.34
Unchanged	112.34	112.34
Total Issues	112.34	112.34

High	Low	Close	Chg.
AMEX	343.25	343.25	+1.23

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month	High	Low	Stock	Chg.	Yld.	PE	12 Month	High	Low	Stock	Chg.	Yld.	PE
A	100	90	AA	+1	10	15	100	90	90	AA	+1	10	15
B	200	180	BB	+2	12	18	200	180	180	BB	+2	12	18
C	300	270	CC	+3	14	22	300	270	270	CC	+3	14	22
D	400	360	DD	+4	16	26	400	360	360	DD	+4	16	26
E	500	450	EE	+5	18	30	500	450	450	EE	+5	18	30

Stocks Rally; Dow Climbs 36.7

United Press International
NEW YORK — Prices on the New York Stock Exchange staged their first substantial rally in more than a week on Tuesday as a firming dollar and higher bond prices momentarily calmed investors' worries about rising interest rates.

The Dow industrial average, which had fallen nearly 170 points since Oct. 3, rebounded 36.72 points to 2,725.16. Gainers led losers 9-6 among NYSE issues traded. Gainers led losers 9-6 among NYSE issues traded.

Trading was moderate because many investors still preferred to do nothing until Wednesday's government report on the U.S. trade deficit in August.

Volume rose to 172.9 million shares, from 141.9 million shares on Tuesday.

Broad-market indexes advanced. The New York Stock Exchange composite index climbed 2.50 point to 176.07, while Standard & Poor's 500-stock index rose 5.13 to 314.52. The price of an average share jumped 57 cents.

Traders said stock prices gained support from a rebound in the dollar, firmer bond prices and bargain hunting after last week's 6 percent decline in the Dow. Since hitting a record 2,722.42 on Aug. 25, the Dow has lost 9.2 percent of its value.

But traders said that buying was not aggressive as investors exercised caution before the release on Wednesday of U.S. merchandise trade figures for August.

"Capital preservation is the name of the game," said Peter Furniss, managing director at Smith Barney, Harris Upham & Co. He said

Many Investors Willing to Sell Stocks

many investors who have made major profits this year are willing to sell some stocks at this point and put some of those profits into bonds yielding 10 percent.

He said the market will respond to good news but that it is especially sensitive to negative developments.

Mr. Furniss said stock prices would react poorly to a wider-than-expected August trade deficit. Economists estimate the data will show the deficit narrowed to about \$13 or \$14 billion in August from \$16.5 billion in July.

Favorable trade data could boost the dollar, easing pressure on the Federal Reserve Board to support the U.S. currency with a policy of higher interest rates. This could take some of the upward pressure off interest rates and relieve concerns about rising rates that have hurt stock prices since late August.

Glaxo Holdings was the most active NYSE issue, rising 3/8 to 24 1/2. IBM followed.

Houston Industries was third, rising 1/4 to 34. Control Data rose 1/4 to 34. The company agreed to buy Time Inc.'s Semi-Burke unit. Time climbed 3/4 to 10 1/2 after reporting third-quarter net income of \$1.24 a share.

In the semiconductor group, National Semiconductor rose 1/4 to 20 1/2, Advanced Micro Devices climbed 1/4 to 20 1/2, and Texas Instruments added 1/4 to 76 1/4 and Motorola jumped 1/4 to 67 1/4.

Chemical issues were among the day's best gainers. Union Carbide jumped 1 1/4 to 30 1/4 and Du Pont rose 2/8 to 114 1/4.

Traders Said Buying Was Not Aggressive

But traders said that buying was not aggressive as investors exercised caution before the release on Wednesday of U.S. merchandise trade figures for August.

"Capital preservation is the name of the game," said Peter Furniss, managing director at Smith Barney, Harris Upham & Co. He said

Tables include the nationwide prices up to the closing on Wall Street

12 Month	High	Low	Stock	Chg.	Yld.	PE	12 Month	High	Low	Stock	Chg.	Yld.	PE
F	600	550	FF	+6	20	34	600	550	550	FF	+6	20	34
G	700	630	GG	+7	22	38	700	630	630	GG	+7	22	38
H	800	720	HH	+8	24	42	800	720	720	HH	+8	24	42
I	900	810	II	+9	26	46	900	810	810	II	+9	26	46
J	1000	900	JJ	+10	28	50	1000	900	900	JJ	+10	28	50

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(Continued on next left-hand page)

WEDNESDAY, OCTOBER 14, 1987

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MADISON AVENUE

Interpublic Group Forges One of Top 10 Agencies

By PHILIP H. DOUGHERTY

New York Times Service

NEW YORK — The Interpublic Group of Companies announced on Tuesday the merger of two of its units, SSC&B:New York and Campbell-Ewald Co., the Detroit agency historically linked to the huge Chevrolet account. The new U.S. agency will be known as Lintas:USA. With Lintas International it will be part of the renamed agency group, Lintas Worldwide, formerly SSC&B:Lintas Worldwide.

The merger will create one of the world's 10 leading agencies, with billings of about \$2.5 billion. Of that, \$1.7 billion will come from Lintas:International and \$1.1 billion from Lintas:USA.

William V. Weitbas, 58, remains chairman and chief executive officer of the renamed Lintas Worldwide, which is based in London. He will be chairman as well of the newly formed Lintas:USA.

Lintas:USA will consist of three units, each headed by a chairman-chief executive officer: Lintas:Campbell Ewald, by Richard O'Connor, 55, currently head of Campbell-Ewald; Lintas:New York, by Spencer Plavoukos, 51, currently head of SSC&B:Lintas New York; and Lintas:CECO, by James Bernardin, 58, currently head of CECO. Until the merger announcement, CECO had performed direct marketing and other specialized services for Campbell Ewald and will now do so for Lintas:New York as well.

The '72 acquisition of Campbell-Ewald was then the biggest buyout in agency history.

Lintas:International, which also has its headquarters in London, had been known as SSC&B:Lintas International. It will continue to be headed by Kenneth L. Robbins as chairman and chief executive.

When Interpublic acquired Campbell-Ewald in 1972 it was the biggest buyout in agency history. Last year Campbell-Ewald billed \$584 million and ranked 19th among American agencies. SSC&B and part of Lintas were bought in 1979, and last year the combined unit had \$1.6 billion in billings and ranked 13th.

Arnold A. Tucker has been named president and chief executive of the newly formed Hill & Knowlton Asia Pacific region, which resulted from the merging of the Australasia unit's nine offices in Australia and New Zealand, and the Asia unit's six offices.

Mr. Tucker once headed the public relations company's Hong Kong office. He now heads the Australia-New Zealand operation. Hill & Knowlton is a subsidiary of the WPP Group of London.

In the agency world there are the conglomerates, as typified by Saatchi & Saatchi and the Interpublic Group of Companies, and the colonial (or branch) networks, like those run by J. Walter Thompson, Young & Rubicam and Foote, Cone & Belding. A more recent phenomenon is what Peter Scott, chief executive of Britain's WCRS Group, describes as a "creative federation."

Speaking at an advertising convention in Laguna Niguel, California, he described conglomerates and colonial networks as "yesterday's solutions," and said his agency and its peers were geared to the concept that "business but not advertising or creative solutions is becoming global."

He didn't have to tell his audience that the conglomerates are giants composed of differently named chains or that the networks are single agencies with many far-flung offices.

All the talk about global ad campaigns may be fine for a Coca-Cola, he said, but there are few other such companies that might benefit. His point was that the advertising of most global products requires local solutions.

Earlier in his speech, Mr. Scott said that as the American See **MADISON**, Page 17

Salomon and the Anguish of Withdrawal

Other Wall Street Firms May Face Layoff Decisions

By Kenneth N. Gilpin

New York Times Service

NEW YORK — After making millions by helping bloated industrial giants to bolster profits through restructurings and cost-cutting moves, Wall Street's largest firms are being forced to heed their own advice.

With Wall Street facing volatile markets and rising competition, the layoffs announced Monday at Salomon are not likely to be an aberration, analysts and investment bankers said.

Several other firms, including E.F. Hutton & Co. and First Boston Corp., are engaged in reviews similar to the one that led to the decision to cut 800 Salomon employees.

"This could very well be the beginning of Wall Street's long-awaited retrenchment phase," said Perrin H. Long, an analyst who follows the securities industry for Lipper Analytical Services.

"You have to give Salomon See **SALOMON**, Page 17



Michael R. Bloomberg
 Former chief of equity trading at Salomon. He now runs Bloomberg Inc., which supplies computerized information on securities trading.

Jan W. Rotensbreich
 He helped put Salomon in the big leagues of underwriting with a \$40 million offering. He is now president of the Torstar Corporation.

Robert Dall
 The man who developed Salomon's mortgage-backed securities business. He is now senior vice president at Dresdner Bank in London.

Jack Manning/The New York Times

For the 'Class of '81,' an Uneasy 'What's Next?'

By William Glaberson

New York Times Service

NEW YORK — One day this summer, Lewis S. Ranieri had one of the best jobs on Wall Street. The next, at the instigation of the Salomon Brothers chairman, John H. Gutfreund, Mr. Ranieri was out: out as vice chairman of the powerful company and out of Salomon altogether.

Mr. Ranieri, 40, went home with millions of dollars and a reputation as a brilliant competitor that he earned in 21 years at Salomon's rising star. He was suddenly, as one of his colleagues at Salomon put it, "outside the sandbox" in which he had spent his entire professional life.

Some on Wall Street said the Ranieri episode was a classic power struggle. Others saw it as a sign that the changing financial business no longer had room for restless innovators. But whatever it meant to others, to Lewis Ranieri it meant he had to figure out what to do with the rest of his life.

Mr. Ranieri's wealth assures that he will never have to confront the fears that preoccupy

most people who lose their jobs. But, as a group of men he knows well have discovered, life after Salomon can present its own sharp challenges.

Until Salomon Brothers merged with the publicly owned Pibbro Corp. in 1981, the men were Mr. Ranieri's partners, part of a privileged collection of 62 who had worked their way to the summit of the country's largest privately owned investment bank.

The Pibbro deal made the rich men even richer: Every member of Salomon Brothers' "Class of '81" received an average of \$7.8 million for his partnership shares.

But in the six years since the merger, almost half of the 62 found their way — or were pushed — out the door of the firm they propelled into Wall Street's top tier.

A few of the men retired with their millions. But most are busily proving what most people believe, but few have the luxury of testing: People work to give their lives meaning, not only to feed their families.

Salomon was, in the years when the mem-

bers of the class of '81 were climbing its ladder, a tough place to work. But there was a feeling in the air that it was going somewhere. With a lean, aggressive style, it transformed itself in a matter of years from a modest bond house with limited corporate ties into a Wall Street powerhouse.

Salomon's big stakes, its Spartan style, the sharp elbows one fended off inside the firm, and the heady victories against its adversaries may have intensified the pressures on those who later tried to make it on the outside.

"Salomon was home," said Robert F. Dall, one of the members of the Class of '81.

Michael H. Bloomberg, 45, drives himself harder these days, if that is possible, than he did in 15 intense years at the firm. The name on the door now is his own: Bloomberg Inc. When he was winning in Salomon's bruising internal wars in the mid-'70s, Mr. Bloomberg occupied one of its prestigious seats: chief of the equity trading desk. He also designed a sophisticated computerized trading system

See **CLASS**, Page 17

Saunders Faces 37 New Charges In Guinness Case

By Warren Getler

International Herald Tribune

LONDON — Ernest Saunders, the former chairman of Guinness PLC, was charged Tuesday with a further 37 offenses relating to its takeover of Distillers Co., including the theft of £20 million (\$33.1 million) of Guinness funds.

In another important development in the case, detectives arrested Gerald Ronson, 48, chairman of Britain's second-largest private company, on eight charges including the alleged theft of £6 million in Guinness funds.

Mr. Saunders, 51, already faced three charges of attempting to obstruct the course of justice, and falsifying and destroying documents, all related to the Distillers takeover.

After facing the new charges in a local magistrates court, Mr. Saunders was released on his previous bail of £500,000 pending a court appearance on Nov. 3.

Mr. Saunders was charged with 10 counts of theft; 10 of false accounting; 10 of procuring the execution of a valuable security; two of common law conspiracy to manipulate market securities; and five of enabling Guinness to provide financial assistance in the purchase of shares.

A Metropolitan Police officer in charge of the investigation told Reuters that the theft charges against Mr. Saunders totaled £20 million.

After the court hearing, Mr. Saunders said, "The mere idea that I have been putting my hand in the Guinness till is absolutely appalling."

"I have stolen nothing. I have nothing to hide," he said.

A Scotland Yard spokesman said Mr. Ronson, who heads Heron International PLC, a property and trading group, had also been charged with false accounting related to Guinness's bid in April 1986.

Mr. Ronson, who is the third person charged in connection with the case, is expected to appear in court on Wednesday.

The charges are in connection with alleged illegal tactics employed by Guinness during its £2.7 billion takeover bid for Distillers.

Government inspectors and police have been investigating allegations that Guinness, the big British beverage maker, may have bought its own shares during its successful bid for Distillers, a maker of Scotch whisky. A rival bid by Argyle Group PLC failed.

Such a share purchase, which would have made Guinness' stock rise in value to "sweeten" its offer, would be improper under the British Companies Act.

On Jan. 16, Guinness' newly-formed board reported that it had discovered £25 million of invoices for services rendered by certain individuals during the Distillers battle.

At the time, Guinness told its shareholders that the board was concerned that some of all of the £25 million of fees to third parties "might have involved payments by Guinness in return for share buying activity in support of the Distillers bid."

Following the disclosure, Mr. Ronson said in a letter to Guinness' management that he had received checks valued at more than £5.6 million from Guinness for what he described as "services" in support of the Guinness bid.

Those services, he said, included the purchases of millions of pounds worth of Guinness shares during the concluding stages of the bid.

Mr. Ronson eventually returned the money to Guinness in January, claiming that at the time he did not believe the agreement involved any breach of British law.

A Scotland Yard spokesman said that police arrested Mr. Ronson when he voluntarily entered a police station on Tuesday, apparently intending to discuss his role in the Guinness affair.

Scotland Yard detectives last week arrested Sir Jack Lyons, 71, a millionaire and prominent corporate consultant, on charges of stealing £3.5 million from Guinness during the takeover bid and of false accounting.

Sir Jack has since been released on £500,000 bail until a court appearance scheduled for Nov. 3.

Currency Rates

Cross Rates	Oct. 13
Amsterdam	20.60
Brussels	23.25
Frankfurt	19.24
London	1.00
Paris	161.44
New York	110.10
Tokyo	143.30
Zurich	1.89
ECU	1.46
DM	1.21
Yen	120.10

Other Dollar Values	Per \$	Oct. 13
Argen. austral	22.25	1.21
Austral.	1.82	1.35
Amer. scol.	12.59	0.78
Brazil. cru.	27.07	2.04
Canada	1.33	1.01
Chilean peso	27.21	2.04
Denish krone	4.79	3.58
Kyrg. pound	2.27	1.73
Mexican peso	20.25	1.53
Indonesian rupiah	1,649.25	126.74
Israeli sheqel	1.80	1.37
Norwegian kroner	4.76	3.58
Philippine peso	58.73	4.45
Singapore dollar	1.36	1.03
Sri Lanka rupee	120.48	9.21
South African rand	12.52	0.96
Spanish peseta	166.37	12.74
Swedish krona	13.76	1.04
Taiwan dollar	26.73	2.04
Thai baht	47.83	3.63
US dollar	1.00	0.77
Uruguayan peso	20.25	1.53
Venez. bolivar	23.10	1.78

Forward Rates	30-day	60-day	90-day	Oct. 13
Forward Sterling	1.6124	1.6093	1.6062	1.2085
Japanese yen	142.36	142.34	142.32	1.0960
Deutsche mark	1.8149	1.8090	1.8035	1.4923

Interest Rates

Eurocurrency Deposits	Oct. 13
1-month	7 1/8 - 7 3/4
3-months	8 1/4 - 8 7/8
6-months	8 7/8 - 9 1/4
1-year	9 1/4 - 9 7/8

Key Money Rates	Oct. 13
Discount rate	6 1/2
Federal funds	7 1/2
90-day Treasury bills	7.10
6-month Treasury bills	7.25
1-year Treasury bills	7.50
3-month CDS	8.18
90-day CDS	8.18

Asian Dollar Deposits	Oct. 13
1-month	7 1/4 - 8 1/8
3-months	8 1/4 - 9 1/8
6-months	8 7/8 - 9 3/4
1-year	9 1/4 - 9 7/8

U.S. Money Market Funds	Oct. 13
30-day average yield	6.27
Telebrate interest rate index	8.08

Gold	Oct. 13
Gold futures	442.25
London gold	442.25
Paris (12.5 kilos)	442.25
Zurich	442.25
London	442.25
New York	442.25

IF YOU PURSUE EXCELLENCE, ONLY ONE BANK CAN KEEP UP.

The dedication to excellence of Republic National Bank is a natural outgrowth of the strong beliefs of its founder and principal shareholder, Edmond J. Safra.

Republic is firmly committed to such sound, traditional banking practices as diversification and the maintenance of a strong capital base.



For Republic National Bank of New York, the relentless pursuit of excellence has achieved nothing less than excellent results.

Republic has grown to be the 11th largest bank in the United States, in terms of shareholders' equity.

It is active in 19 countries around the world, including the important banking centers of London, Luxembourg, Milan, Paris, Hong Kong, Singapore, Montreal, Tokyo, and of course, New York.

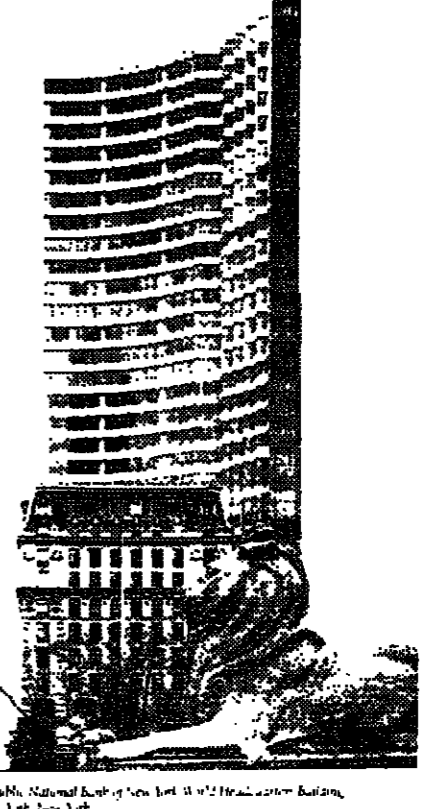
The bank has always been highly selective in lending. It emphasizes very conservative activities, investing in safe and liquid assets and using its extensive expertise to trade profitably in precious metals, foreign exchange, bonds and bank notes. Underlying every aspect of Republic National Bank's pursuit of excellence

is a single, fundamental principle: the protection of depositors' funds. It should come as no surprise, then, that this pursuit of excellence results in considerable advantages to private banking clients, and the application of the very highest standards of excellence to the handling of your personal finances.

Republic's subsidiary in Luxembourg provides private banking clients with the protection of the stringent banking laws of that

country, and experienced account officers who speak your language. And Republic's expertise internationally allows you to take advantage of opportunities to better manage your investments on a global scale.

The pursuit of excellence is our commitment. If that is something you expect of your bank, call us today at our Luxembourg office (352) 470.711.



REPUBLIC NATIONAL BANK OF NEW YORK

A SAFRA BANK

NEW YORK MIAMI LOS ANGELES MONTREAL
 LONDON PARIS LUXEMBOURG MONTE-CARLO
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 SINGAPORE TOKYO PANAMA NASSAU BUENOS AIRES
 SANTIAGO-MONTEVIDEO CARACAS-MEXICO
 CITY PUNTA DEL ESTE RIO DE JANEIRO-SAO PAULO

FIGURES AS AT DECEMBER 31, 1986:	
TOTAL ASSETS:	US \$ 16.8 billion
SHAREHOLDERS' EQUITY:	US \$ 1.6 billion

Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High Low Stock Div. Yld. PE

Table with columns: 12 Month High Low Stock Div. Yld. PE, listing various stocks and their prices.

U.S. Futures

Via The Associated Press

Season Season Open High Low Close Ch.

Grains table with columns: Season, Open, High, Low, Close, Change.

Metals table with columns: Season, Open, High, Low, Close, Change.

Livestock table with columns: Season, Open, High, Low, Close, Change.

Food table with columns: Season, Open, High, Low, Close, Change.

Currency Options table with columns: Season, Open, High, Low, Close, Change.

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NYSE High-Lows

NEW HIGHS

Table listing new high stocks and their prices.

Table listing new low stocks and their prices.

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Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table with columns: Company Name, Revenue, Profit, etc.

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Table with columns: Company Name, Revenue, Profit, etc.

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Business Tax Savings, Italy Detail Mediobanca, Classified

The Daily Source for International Investors

Comex Plans Contract Tied to Moody's Index

Algeria to Sell Gas to Greece

Market Guide

Commodity Indexes

Stock Indexes

Industrials

Metals

Grains

U.S. Futures

Dividends

S&P 100 Index Options

DM Futures Options

London Commodities

Paris Commodities

U.S. Treasuries

Spot Commodities

London Metals

U.S. Treasuries

U.S. Futures

BUSINESS ROUNDUP

Tax Saving Helps Lift IBM Net 12%

Special by Our Staff From Dispatches
NEW YORK — International Business Machines Corp. reported today that earnings rose 12 percent in the third quarter, the first year-over gain since the first quarter of 1986...

IBM cited the impact of cost reductions, including the elimination of 11,000 workers, as well as formation in July of an application systems division that was designed to bolster IBM's software position.

boost from the sale of 5.9 million shares in Intel Corp. and from a drop in IBM's tax rate to 38 percent from 41 percent a year before.

Italy Details Plan to Privatize Mediobanca Merchant Bank

By David Brown
Special to the Herald Tribune
ROME — The board of Italy's oldest IRI holding company voted on Tuesday a landmark decision to privatize the powerful Mediobanca merchant bank.

invited to subscribe to a total 13.5 percent of the state's holding. They will join Mediobanca's traditional industrial shareholders, which include Fiat SpA and Pirelli SpA...

Analysts said the current move was prompted by a need to clarify the issue of control at Mediobanca, which holds important minority shareholdings in Italian industry.

BAT to Expand U.S. Saks Chain

NEW YORK — BAT Industries PLC said Tuesday that its U.S. subsidiary would spend \$300 million over five years to expand and modernize its Saks Fifth Avenue retail chain.

Merrill Lynch Net Jumps 108% on Property Deal

NEW YORK — Merrill Lynch & Co. said Tuesday that its third-quarter net profit shot up 108 percent, to \$195.1 million, above year-earlier levels, mainly because of a nonrecurring gain from a real estate interest sale.

ter net earnings would have been \$94.8 million. "Excluding the real estate gain, Merrill Lynch's earnings were pretty much flat," said Rodrigo Quintanilla, an analyst with Argus Research Corp.

Paribas to Buy Stockbroker

PARIS — Banque Paribas said Tuesday that it has reached agreement to buy the stockbrokerage firm of Courcouronnet SA in a move to prepare for the planned deregulation of the Paris stock market.

Legislation that would allow outside interests to take stakes in French brokerages for the first time is expected to be approved by the National Assembly by year-end.

LASS: Life After Salomon Created Problems for Some of Its High-Powered Executives

(Continued from first finance page)
many of Salomon's traders believed them an extra edge. At the time of the Phibro deal, he acknowledges, he was no longer winning.

Salomon was, in the early '70s, a place where comes like Mr. Rotenreich thrived on the intense intramural competition somehow managed by the firm's all-powerful top partner, William R. Salomon.

more. It doesn't end." After nearly three years at IBM, Mr. Rotenreich left to become president of Techmark Corp., an insurance and financial services company.

One alumnus recalls, "People ask, 'What do you do?' and you are tempted to say, 'I was a very important partner at Salomon Brothers.'"

Salomon Inc., the company's parent firm, announced that it would eliminate some 800 jobs. Even many of the ex-partners who no longer have ties to any institution remain bound tightly to their pasts.

Under "Billy's" leadership, Mr. Rotenreich developed the concepts for several new securities and helped engineer one of Salomon's major breakthroughs into the ranks once limited to a handful of old-line firms, the underwriting of a debt offering by International Business Machines Corp. in 1979.

After five months of freedom, Mr. Rotenreich accepted an offer to become corporate treasurer of IBM. He found out during the time he was between jobs, he said, that he was still the same man who had moved so fast through the ranks at the hottest firm on the Street. Being rich and free had only increased his ambition.

After five months of freedom, Mr. Rotenreich accepted an offer to become corporate treasurer of IBM. He found out during the time he was between jobs, he said, that he was still the same man who had moved so fast through the ranks at the hottest firm on the Street.

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ALOMON: Firms Weigh Layoffs

(Continued from first finance page)
said. "They are the first to ax a business, in this case capital bonds, because it hasn't a money-maker. You could hat spread to a number of firms."

Spokesmen at a number of major retail brokerages, including Merrill Lynch and Prudential-Bache, said their firms had no current plans to pare staff.

However, officials at the firms are watching. In a recent memo to employees, George L. Ball, chairman of Prudential-Bache, said that business was "noticeably, no-kidding, threateningly down."

Schlumberger

FAIRCHILD SEMICONDUCTOR SALE TO NATIONAL SEMICONDUCTOR COMPLETED
NEW YORK, New York, October 8 — Schlumberger Limited today announced the completion of the sale of Fairchild Semiconductor to National Semiconductor.

Indigo

Indigo is not a licensed broker.
Indigo is located at:
10101 Wilshire Blvd., Suite 1000, Los Angeles, CA 90024.
Phone: 310-343-8888 - Telex: 79422.

MADISON: Agency Joins Top 10

(Continued from first finance page)
colists rebelled against the absentee management of the British crown, so the British agency business has rebelled against the absentee management of American international agencies.

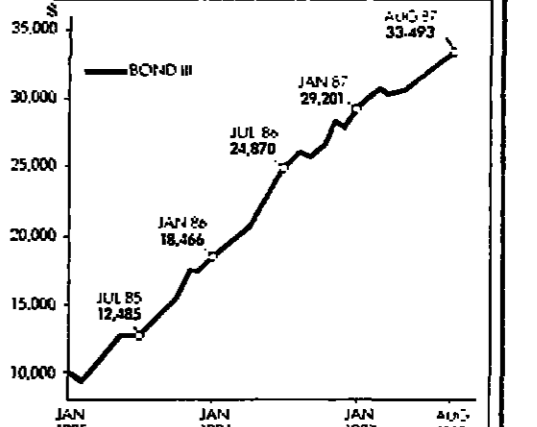
TV remote-control channel-changer immediately increases its penchant for flipping. But how much? By 75 percent, according to a research report from J. Walter Thompson.

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Tuesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High Low, Stock, Div. Yld. PE, 52 High Low, Close, Open, Change.

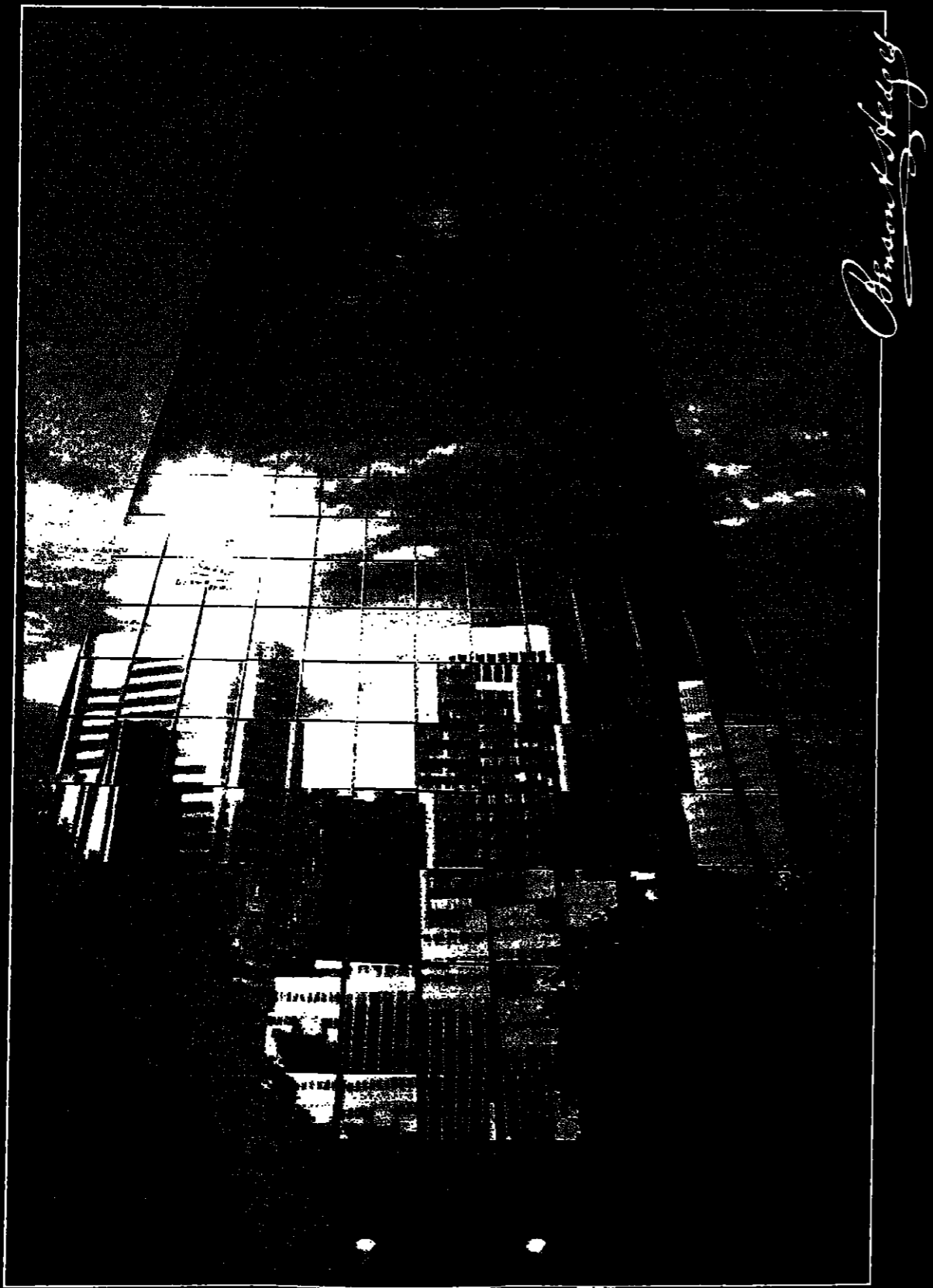
Table with columns: 12 Month High Low, Stock, Div. Yld. PE, 52 High Low, Close, Open, Change.

Table with columns: 12 Month High Low, Stock, Div. Yld. PE, 52 High Low, Close, Open, Change.

Table with columns: 12 Month High Low, Stock, Div. Yld. PE, 52 High Low, Close, Open, Change.

AMEX Highs-Lows

Table with columns: Am Tr-pp on, Selos Core, NEW HIGHS, NEW LOWS.



Discover gold

Shamrock Bids For Warehouse

BURBANK, California — Shamrock Holdings Inc. said it has offered to buy Warehouse Entertainment Inc. for about \$12.5 million. Shamrock, which is owned by the Roy E. Disney family, said in a letter to Warehouse that it offered to buy its outstanding shares for \$14.25 a share in cash.

Floating-Rate Notes

Table with columns: Issuer/Mat., Coupon Rate, Bid, Ask.

Pounds Sterling

Table with columns: Issuer/Mat., Bid, Ask.

Deutsche Marks

Table with columns: Issuer/Mat., Bid, Ask.

Japanese Yen

Table with columns: Issuer/Mat., Bid, Ask.

Vertical advertisement on the right edge of the page, partially cut off, with text including 'INFO FROM', 'DUBOIS', and 'Fifty-five Return'.

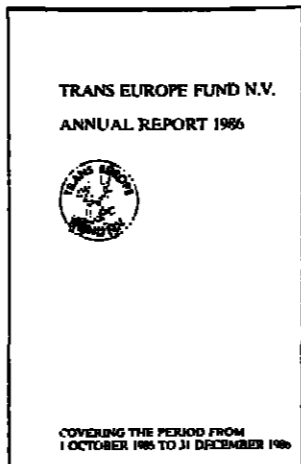
FREE INFORMATION

FROM INTERNATIONAL INVESTOR VI Herald Tribune

The latest information from the distinguished companies listed in this section are available to you at no charge. Simply circle the appropriate number on the coupon at the bottom of the page before November 18th, or telex the numbers with your return address, and the report(s) will be mailed to you by the companies involved.

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Trans Europe Fund - quoted on the Amsterdam Stock Exchange - is one of Europe's fastest growing open end investment funds. It offers the investors a well diversified participation in companies, whose operations are based in the European Community, the Scandinavian countries and in Switzerland. Not only big, wellknown companies but interesting smaller ones are also included in the Fund's holdings. The management bases its policy on fundamental investment and macro economic research and follows an active and alert investment approach, anticipating future developments. Shares Trans Europe Fund: an effective and convenient way to participate in Europe's future. Information: ABN-de Neuffize International Investment Advisory Company B.V. P.O. Box 669 1000 EG AMSTERDAM.



1

BASF

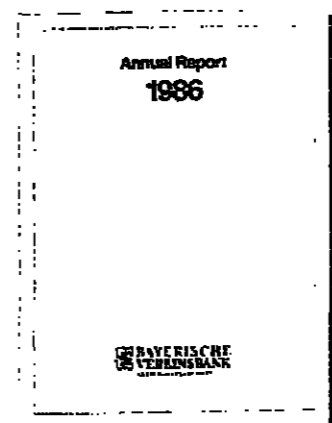
BASF is a major international chemical company. Its trailblazing scientific and technological achievements, integrated production and intensive marketing have built a significant position for BASF in world markets. In 1985 the world economy was substantially characterized by the drop in oil prices and the declining value of the dollar. Both factors put heavy pressure on chemical product prices. Although BASF sold higher volumes, sales receded for the first time since 1975. In spite of these turbulences BASF had a good year in 1986, in keeping with the standard of the previous years' successes.



2

BAYERISCHE VEREINSBANK AG

BAYERISCHE VEREINSBANK AG paid its more than 90,000 shareholders an increased dividend of DM 13.00 (= 24%) for 1986. As a successful commercial and mortgage bank, we have continued to expand at home and abroad. Total assets rose by DM 1.3 billion to DM 80.9 billion in the second quarter, falling short of the year-end figure for 1986 by less than DM 0.6 billion. At mid-year 1987 total assets of the BV Group rose by DM 1.6 billion to DM 141.7 billion. BAYERISCHE VEREINSBANK shares are traded on all stock exchanges in the Federal Republic of Germany as well as in Zurich, Geneva, Basel and Vienna. The bank is active through its branch network in all parts of the world, in the U.S.A. (five outlets), in Japan (two outlets), in South America, in China (Beijing), in Hong Kong, in the Middle East, in Africa and in Europe. The number of outlets comes to roughly 400 altogether. Information on BAYERISCHE VEREINSBANK'S top-quality shares can be had under our Munich telephone number (089) 3884-8811.



3

CERUS

CERUS: Consolidated net profit of 194 million francs for the first six months of 1987. CERUS, the French holding company of the De Benedetti Group created on July 1, 1986, had a consolidated net profit of 194 million French Francs for the first six months of 1987. This compares with a non-consolidated profit of 54.3 million French Francs for 1986. Annual earnings for 1987 are expected to be in line with those of first six months. CERUS, which is now one of the major Groups listed on the Paris Stock Exchange, has become a diversified holding company with major investments in Valeo, Yves Saint Laurent and Pearson plc. Two share issues, the first in January and the second in April, were successfully offered in 1987. VALEO, in which CERUS has a controlling stake, had a consolidated net profit of 203 million French Francs, representing 2.8% of total revenues, during the first six months of 1987. YVES SAINT LAURENT, a company in which Cerus is associated with Yves Saint Laurent and Pierre Bergé, concluded an agreement with Revlon for the sale of its mass-market perfumes and cosmetics, last June. These activities had been acquired in December 1986 by Yves Saint Laurent through the acquisition of Charles of the Ritz. If the sale to Revlon is taken into account, the Yves Saint Laurent perfumes have been acquired on the basis of a p/e of 16.5. The share holding structure of CERUS, in which the De Benedetti group holds 40%, has been reinforced by the acquisition of a 3% stake by Shearson Lehman (American Express Group), which is already a shareholder in Cofide in Italy and in Cofir in Spain.

4



CREDIT BANK

CREDIT BANK A.E. ranks fourth among commercial banks in Greece and is the largest private sector bank. In 1986 assets increased by 28% to Dr. 439,437 million (US\$3,255 million), deposits by 26% to Dr. 232,336 million (US\$1,674 million), loans and advances by 36% to Dr. 113,023 million (US\$814 million) and net profits by 82% to Dr. 1,841 million (US\$13 million). As a result, the market price of Credit Bank's share, rose from Dr. 1,750 (31 Dec. 1985) to Dr. 3,570 (31 Dec. 1986) to Dr. 11,400 (31 Aug. 1987). The Bank, acknowledged as one of the most innovative, maintains 117 units all over the country and a network of 50 Automatic Teller Machines. On May 5, 1987 the Bank increased its share capital to Dr. 3,300 million by issuing 440,000 new shares.

5



CREDIT NATIONAL

1986: a varied range of loans to meet all corporate needs. New long term loans: FF 15 billion (U.S.\$2.3 billion); loans outstanding: FF 72 billion (U.S.\$11.1 billion); investments financed in 1986: FF 108 billion (U.S.\$16.7 billion). Fund raised in 1986: FF 13 billion (U.S.\$2 billion). Medium and small-sized businesses accounted for two thirds of the clientele. Product range: loans carrying fixed, variable, or adjustable interest rates with maturities of one to twenty years, in French francs or foreign currencies; lines of credit; equity financing; equipment lease financing. Other services: legal and financial engineering; business appraisals, mergers and acquisitions; financial and economic analysis; diagnostics and financial consulting.

6



DAIMLER-BENZ AG

In 1986 Daimler-Benz was able to continue on its successful course of growth. Consolidated sales, of which one-quarter was accounted for by the new divisions AEG, Dornier and MTU, and three-quarters by the traditional automotive sector, rose 25% to over DM 65 billion. Demand for Mercedes cars once again exceeded our production capabilities. In the highly competitive commercial vehicle business, Daimler-Benz maintained its leading market position as the world's biggest manufacturer of trucks upwards of 6 tonnes. Altogether, the new divisions in the group succeeded in raising sales and employment. Operational results continued to be encouraging in 1986, above all because of favorable developments in the car sector, and amounted to DM 1,767 million for the group as a whole and DM 1,404 million for Daimler-Benz AG.

7

DUBOIS INVESTISSEMENTS

The Dubois Investissements Group is France's leading DIY retailer, with 81 hypermarkets carrying the Castorama sign. 1986 highlights:

- sales were up 20.5% to F.Fr. 4,756 billion;
- Funds provided from operations rose 35.5% to F.Fr. 178.6 million;
- Consolidated net current income was up 26.2% to F.Fr. 64.1 million;
- Attributable income totalled F.Fr. 34 million, 26.9% up from the 1986 figure of F.Fr. 26.8 million. The Group is continuing its expansion in 1987, with the opening of 5 new stores and forecast sales of F.Fr. 5.6 billion.

8



ESMERALDA International Investment Fund

ESMERALDA, quoted on the Luxembourg Stock Exchange, is an international investment fund established in 1972 according to Dutch law. The investment activities of the fund are mainly directed to investment in the shares of corporations. ESMERALDA selects with care the objects it invests in and diversifies these throughout a number of countries and sectors. Currently, the investment fund has a worth of approximately \$100 Millions. During the past 10 years the achieved results of investment, measured in US Dollars, averages 18% annually. For further information on the investment opportunities the ESMERALDA Fund offers you: ESMERALDA International Investment Fund P.O. Box 76, 1000 AB AMSTERDAM, The Netherlands. Tel. 31.20 - 55 02 322 Telex 10877

9

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11

GAN

Chairman and Chief Executive Officer: François Heilbronner. 1986 revenues: FF 19.6 billion. Consolidated net income: FF 1.37 billion. After a year of strong growth in 1986 (with revenues up by 16.6%), GAN has opted for performance through innovation in response to changes in the French insurance environment. The reform of insurance law, privatization in prospect and increasing competition are all accompanying the emergence of new insurance requirements. Nor should one forget the need to prepare for the advent of the single European market, open to all European companies, in 1992. GAN's innovative commercial policy and growing internationalization demonstrate its determination to serve its clients as an active partner in their projects.

12

Hutchison Whampoa Limited

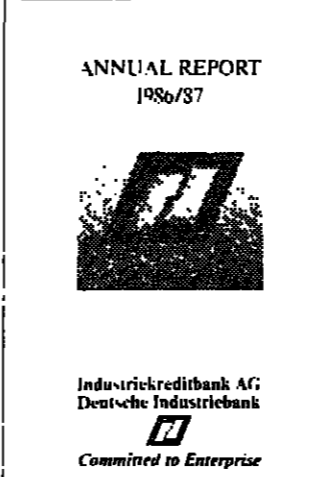


HWL is one of Hong Kong's largest and most profitable corporations, holding a solid and diversified portfolio of leading companies involved in property development and management, import and export, retailing, quarrying, telecommunications, container terminal operations, power generation and supply, oil and gas, and China trade. With net assets of U.S. \$1.25 billion, net profits in 1986 of U.S. \$280 million and a strong recurring cash flow, HWL is in an excellent position to expand at home and abroad. The Group, through an associated company, also has a 43% interest in Canada's Husky Oil.

13

Industriekreditbank (IKB)

"The bank Committed to Enterprise" is the only nationally active German bank that lends exclusively to corporations. For this reason, the first part of IKB's 1986/87 annual report is devoted to matters of special interest to companies. IKB also reports a highly successful 1986/87 business year. Claims on customers rose by DM 1.9 billion to DM 14.2 billion, with net interest income growing by 13.7% to DM 256 million. Although issuing domestic bonds continued to be the major source of refinancing, funding from the Bank's own foreign bond issues grew at an even higher rate. Capital resources amounted to DM 746 million - 24% above the previous year's figure. Proposed is a dividend of DM 8.00 per DM 50 nominal share of the increased capital.



14

DP America Growth Fund

DP America Growth Fund (DC) has been established in December 1985 to provide investors with access to investment opportunities in U.S. corporations with above average long-term growth potential. The shares of this company are mainly traded on the NASDAQ market, one of the largest stock markets in the world. The companies in which DP America Growth Fund invests should meet certain fundamental conditions: on market position, financial strength, quality of management and product innovation policy. The primary objective of the fund is to achieve capital growth on the longer term.



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17

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INTERNATIONAL CLASSIFIED

ADVERTISEMENT INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 13th Oct. 1987

Table of international fund quotations with columns for fund name, currency, and price. Includes sections for 'Other Funds' and 'USADIRECT'.

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CURRENCY MARKETS

Dollar Closes Higher in Slow Trading

NEW YORK — The dollar closed slightly higher Tuesday as major foreign currencies...

London Dollar Rates

Table with columns: Currency, Bid, Ask, Change. Includes Deutsche mark, Pound sterling, Japanese yen, Swiss franc, French franc.

New York, the dollar closed at 25 Deutsche marks, up from 24.75 on Friday...

The dollar was also higher than the British pound, which closed at \$1.6460, against \$1.6540 Friday.

James Benfer of the Bank of Montreal in New York said that expectations for the August trade deficit were around \$14.5 billion...

Analysts See a Temporary Lull in the Currency-Options Boom

PHILADELPHIA — The recent explosive growth in foreign-currency options will probably slow in the next year because of reduced foreign volatility...

treasurers grow more familiar with them. Options are meant to protect companies against adverse movements in the currency markets...

Mr. Dilman said the seven leading industrialized democracies have been largely successful in curbing currency swings.

German Rates Soar After Double Financial Blow

FRANKFURT — A double financial shock has created a crisis of confidence that has sent West German interest rates soaring...

It could go as high as 7.50 percent. Other analysts were less pessimistic but did not see a sustained rally in the near future.

reeling from the government's plan to levy a 10 percent withholding tax on interest payments on German investments in 1989 to help fund the 1990 tax reform.

A Finance Ministry statement on Monday that DM Eurobonds would not be affected by the tax if the issuer was not domiciled in West Germany came as little comfort to the domestic capital market.

DM Bond Trading Restarts

LONDON — Tentative trading restarted in Deutsche mark instruments on Tuesday, but the market remains extremely nervous...

On Monday, a Finance Ministry state secretary, Hans Tietmeyer, said the tax would not affect DM Eurobonds if the issuer is not domiciled or does not have its company management in West Germany.

Analysts said the market would probably lose much of its business offshore, reducing liquidity and raising funding costs of both private and public borrowers.

Helmut Guthardt, management board spokesman of Deutsche Genossenschaftsbank, said in a television interview...

In Frankfurt, public authority bonds rose in light trading. Long maturities rose by as much as 40 basis points.

They had hoped that the central bank would revert to a fixed-rate system for its securities repurchase agreement.

But on Tuesday, the Bundesbank set a new tender to replace around 14.4 billion Deutsche marks (about \$7.94 billion) of 28-day securities that are due to expire...

Resistance Remains to a Japanese Rate Rise

TOKYO — Any move by the Bank of Japan to raise the discount rate to avoid a rekindling of inflation will face strong political resistance...

They said that the central bank, concerned about the effects of continuing sharp increases in Japanese money supply, might want to tighten credit and thus dampen spending.

Inflationary expectations are in fact getting stronger as economic recovery firms, and it may be advisable to raise the discount rate marginally to preclude that.

Other rates have risen even faster, with the yield on the key 6 percent federal government bond of 1997 shooting as high as 7.1 percent on Monday from 6.64 percent just before the switch to a competitive system.

Mr. Heim said he did not see the 10-year bond yield going back below 7 percent for some time, and

But Kiichi Miyazawa, the finance minister, said recently that the Japanese economy "still has ample supply to match demand, and any concern about a resurgence of inflation will prove to have been needless."

Finance Ministry officials noted that the United States had asked Japan not to tighten credit to maintain the current differential between Japan and U.S. interest rates.

Figures released on Tuesday showed that the wholesale price index fell 0.1 percent in September and 0.2 percent from the same month last year.

But a central bank official said upward pressure on wholesale prices may come in October. Also, just before the wholesale price figure

Tuesday's OTC Prices NASDAQ prices as of 4 p.m. New York time. Via The Associated Press

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like AMT, AIG, AXP, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like BAC, BOK, BNY, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like C, CIG, CMC, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like D, DAI, DAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like E, EAT, EBY, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like F, FAL, FAY, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like G, GAI, GAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like H, HAN, HAR, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like I, IAT, IBE, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like J, JAC, JAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like K, KAL, KAT, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like L, LAN, LAP, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like M, MAI, MAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like N, NAI, NAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like O, OAI, OAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like P, PAI, PAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like Q, QAI, QAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like R, RAI, RAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like S, SAI, SAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like T, TAI, TAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like U, UAI, UAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like V, VAI, VAL, etc.

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like W, WAI, WAL, etc.

WORLD STOCK IN REVIEW

Table with columns: Stock, Div. Yld., High, Low, 4 P.M. Close. Lists various stocks like X, XAI, XAL, etc.

Japan, Australia Protest U.S. Trade Practices

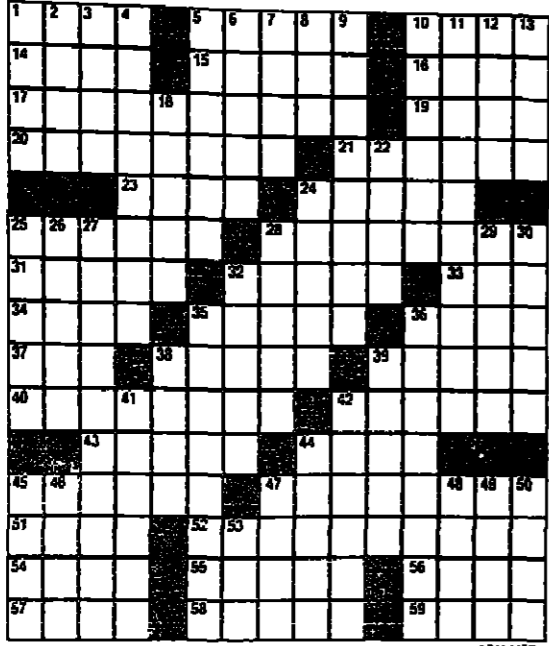
GENEVA — Japan and Australia lodged public complaints against the United States on Tuesday for what they consider to be unfair trade practices...

Time Inc. Profit Fell

NEW YORK — Time Inc. said Tuesday that its third-quarter profit dropped 70 percent to \$74 million from \$252 million the year before...

Kidder to Cut 100 Jobs in Municipal Bond Unit

NEW YORK — Kidder, Peabody & Co. said Tuesday that it would reduce its 280-person municipal bond department work force by 100 positions...



ACROSS

1 Porter or King hazard
5 Open-window
10 Carbonize
14 Aldrich's "The Story of..."
15 Like certain beavers
16 Ethereal
17 Part of T.L.C.
19 Lovers'
20 Eye, ear, nose, etc.
21 Baldwin's, e.g.
24 Ermine in summer
25 Put side by side
28 Sutures
31 He wrote "The Heart" in 1968
32 Thin-skinned places
33 Revere's nest egg? Abbr.
34 Pöche's beloved
35 Emulate a limper
36 Fiat breaker
37 Ignited
38 Arm
39 Billiard shot
40 Refinement
42 Nondisputable things
43 Use a thumb
44 Propriety

DOWN

1 Veal source
2 Hautboy
3 Enean output
4 Publications
5 M.D. or D.D.S.
6 Where the Marx Brothers spent a day
7 Arabun chieftains
8 Chemin de...
9 Physician's activity
10 Cap worn in the Middle East
11 Leading the "in-the-pink" group
12 "Comus" computer
13 These cross the bar
18 She gives T.L.C.
22 Kitchenware
24 Task
25 White poplar cosmetics
26 Problem for Pauline
27 On guard
28 "Rise and..."
29 Clean the slate
30 Soupy of TV
32 Rasher or collop
35 Comforts
36 Large, powerful dogs
38 Show signs of exertion
39 Shawl or horse blanket
41 Equipped
42 Present and past
44 His product may be stolen
45 Lucre
46 Poet translated by Fitzgerald
47 Cornea irritant
48 Break a habit
49 Withered
50 Cezanne's "Boy in Vest"
53 Ending for mail or herb

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PEANUTS



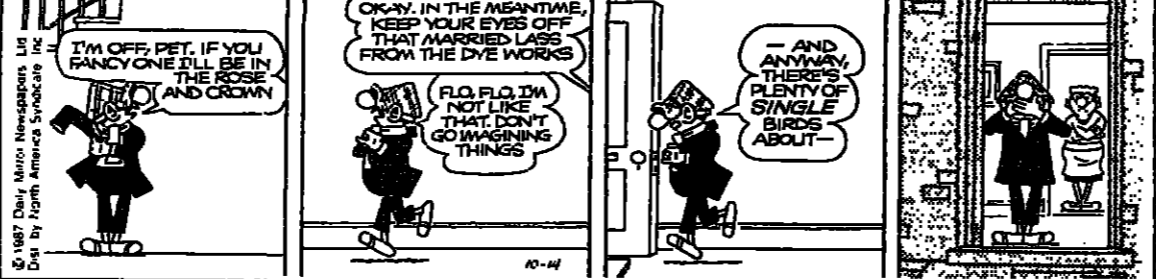
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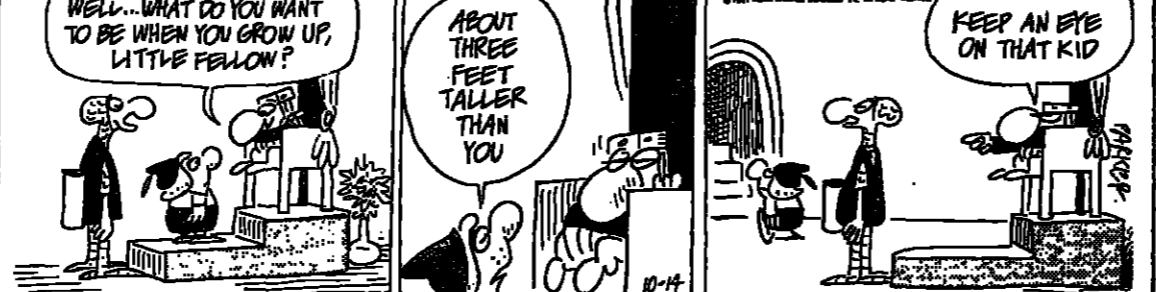
BEEBLE BAILEY



ANDY CAPP



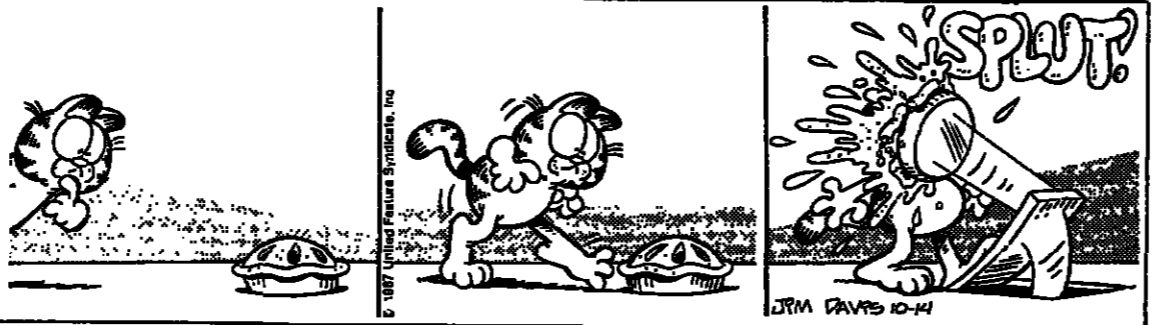
WIZARD OF ID



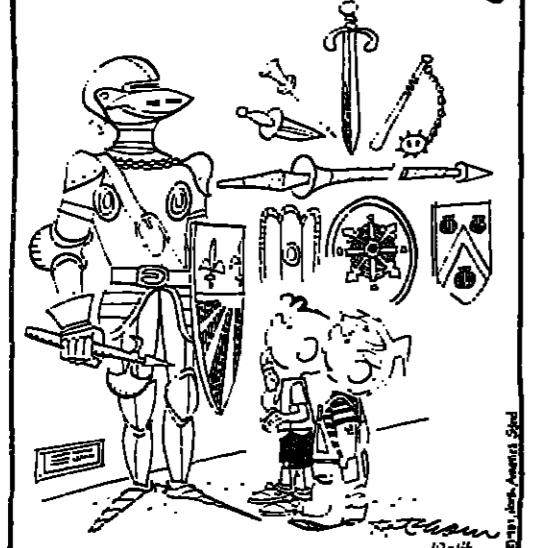
REX MORGAN



GARFIELD



DENNIS THE MENACE



"IN THE OLDEN DAYS, THAT'S WHAT DEEP-SEA DIVERS WORE TO KEEP THE SHARKS FROM BITING THEM."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

GLECY
KUYDS
SNIDUM
TENTIK

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

ANSWER: YOUR HANG OUT

WEATHER

Table with columns for Europe, Asia, Africa, North America, Middle East, and Oceania, listing high and low temperatures for various cities.

World Stock Markets

Table showing closing prices in local currencies for various stock markets including Amsterdam, London, Hong Kong, Frankfurt, Zurich, and Tokyo.

Markets Closed

Table listing stock markets that were closed on Monday, including Sao Paulo and Montreal.

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BOOKS

LEAVING HOME By Garrison Keillor. 244 pages. \$18.95. Viking Inc., 40 West 23d Street, New York, N. Y. 10010.

Reviewed by Webster Schott

WRITERS LIKE Garrison Keillor only come around every 10 or 20 years. When they do they're not immediately recognized for what they really are: social lightning rods. They practice deception.

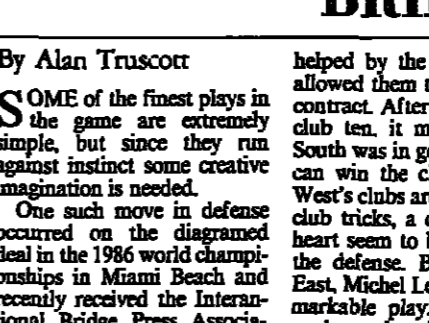
If you doubt this think about Will Rogers or Robert Benchley, James Thurber or Damon Runyon. Cowboys, actors, cartoonists, sports writer, to mention a few disguises. And all writers to whom Keillor, the laid-back oracle of "A Prairie Home Companion," may owe more than a nod.

While most of the world may know Keillor best as Minnesota Public Radio's superstar anchorman-entertainer, he is in fact a dead serious comic writer (he began at least 15 years ago with The New Yorker) whose true calling is the half-loving, half-satirical onslaught of Grant Wood's America (Norwegian-Swedish division).

Garrison Keillor creates a world. And he inhabits it with vital imaginary people who behave according to values Keillor whittles sentences to define for us. His Lake Wobegon, Minnesota, is as palpable as William Faulkner's Yoknapatawpha County, Mississippi in most ways its antithesis even though sensible people don't compare the merits of comedy and tragedy.

Keillor is probably not Nobel Prize-bound. But witnesses say some of his three million loyalists wept when he left public radio and the Disney channel for Denmark last June. He has touched something important, perhaps even deep, in the psyche of America. What it is lies near the center of these 36 stories, all originally delivered (without the dirty words, I assume) as monologues by Keillor during his 13 years on "A Prairie Home Companion." They tell of a much easier time and simpler place than ours, when the only drug to worry about was alcohol and the only crook in town was a stranger passing through too fast in a Lincoln Continental ("The Speeding Ticket") who got even by selling the cops \$20 bottles of tonic to reverse the effects of aging. But Keillor is deceptive, remember?

Solution to Previous Puzzle



These stories are also about psychological persecution and the fear of change, the provincial arrogance of city folk, and the tyranny practiced by aging parents on adult children. Reading Garrison Keillor the demons shrink in size. His characters don't live in paradise either. They live in another kind of metaphor for our own lives, with the terrors reduced mostly to owl lives, with the terrors raising the kids, getting along with your mate, resisting the kids, resisting progress and guarding against shame, and accepting the ultimate fate — life's end.

Webster Schott lives and writes in Lake Quivira, Kansas. He wrote this review for The Washington Post.

BEST SELLERS

Table listing best-selling books from The New York Times, categorized by Fiction and Nonfiction.

BRIDGE

By Alan Truscott

SOME of the finest plays in the game are extremely simple, but since they run against instinct some creative imagination is needed.

helped by the overall which allowed them to avoid a heart contract. After the lead of the club ten, it might seem that South was in good shape. East can win the club queen, but West's clubs are shut out. Two black trumps, a diamond and a heart seem to be the limit for the defense. But the French East, Michel Lebel, made a remarkable play. When a ro-card was played from the dummy, he played the two instead of the routine third-hand-high play of the queen. It is hard to blame South for winning the trick, but when he did so he was doomed. As soon as East gained the lead, he could play the club queen and his partner could overtake to run the suit. Lebel knew of course that South had the jack of clubs. If he also held the ace, the queen was unimportant. So he found the way to drive out the jack and preserve the defensive communications.

South might conceivably have refused to win, reasoning that his only real chance of collecting nine tricks was that East had made a fine third hand play. Allowing the ten to win would have given South claim to the best play of the year, countering the best defense of the year.

Bridge hand diagram showing North and South hands with cards and suits.

Neither side was vulnerable. The bidding: North East South West 1♣ 1♥ 1♠ 1♣ Pass 2♥ Pass 3♥ Pass 3NT Pass West led the club ten.

Markets Closed

Table listing stock markets that were closed on Monday, including Sao Paulo and Montreal.

Advertisement for 'Mon days in the Trib' featuring 'William Safire on Language'.

SPORTS

Denmark-Wales Rematch Promises Crucial Test of Elkjaer's Fearlessness

To set the cause above renown To love the game beyond the prize...

Eighteen nations are vying for a crucial European championship play-off match this week, and nowhere will the battle be fiercer than in Copenhagen...

ROB HUGHES

In 55 internationals. And although Denmark ran out of steam against Spain a few days later, we felt we understood — too much running, too much excitement sapped by the Mexican sun.

Yet Denmark seems never to have regained confidence. In its five European championship-qualifiers since, it has netted only three goals, all from midfielders.

Elkjaer has admitted that he and Laudrup became like lost kids trying to find the classroom. Baffling. Is it age? Elkjaer has just turned 30. His style plumbs physical and mental depths, yet a year and a half cannot have destroyed his whole team.

Not by the way Elkjaer, for once, galloped forward in Cardiff a month ago. Denmark lost and Wales won, 1-0, because impenetrable object beat irresistible force.

gland, whose job as manager is still on the line.

For quickly, read brutally. Wales hit from all sides with shameless blood and thunder.

People might say that's not football, but it's no good pretending it's not something you're not. If Wales had let the Danes play, they'd be out of Europe.

"People might say that's not football, but it's no good pretending it's not something you're not. If Wales had let the Danes play, they'd be out of Europe. I think they'd done themselves in."

Non-sense. The man who "done themselves" was not one of the thugs chopping down Danes in midfield. It was Neville Southall, a goalkeeper defying injury to perform one of the great saves when he

jackknifed through space to turn away a thunderous Elkjaer shot.

Southall will not blockade the goal in Copenhagen. On Monday he lost an argument with doctors who refused his pleas for injections to mask the pain of a back injury.

Aware, no doubt, of the Copenhagen battle ahead, Elkjaer roared: "Rush? He's playing? He didn't score, did he?"

Such sportsmanship! Elkjaer made no such decision out of the misreported display of Rush's chief provider at Juventus — Laudrup, who when Elkjaer will share the efforts on Wednesday.

This bewildering switching of allegiances surely did not happen in Admiral Newbold's era; today it is normal, mercenary business. So instead of Laudrup, Rush will have Mark Hughes as partner.

Hughes is a man of flare and fire. His desire will be stoked to bursting point because he has spent six months imprisoned as a reserve at Barcelona.

Barcelona is an insane, dehumanizing system. It had Hughes, at upward of \$200,000 a season, and neither makes use of him nor loans him to someone who might.

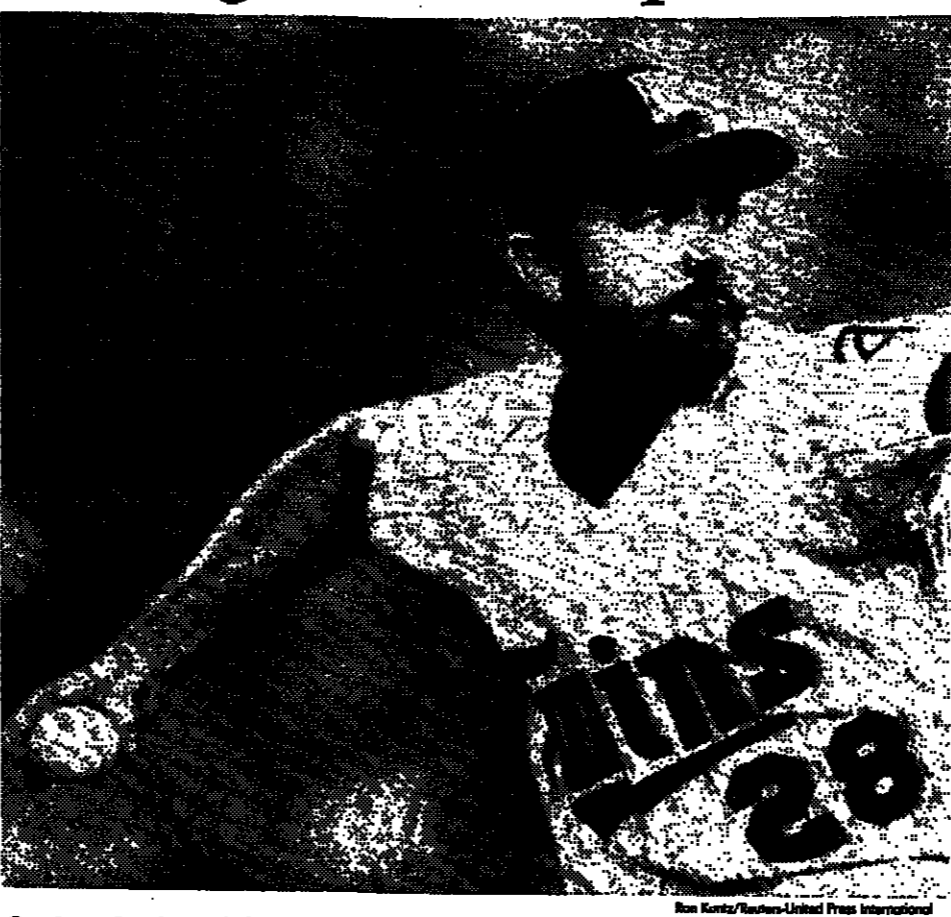
It watches his confidence wane, although there is now hope that Bayern Munich or Manchester United will come to his rescue if he stars in Copenhagen. I hope he can keep his desperation within the bounds of sporting legitimacy.

Yet for the game — for soccer, and not fighting — I hope and expect Denmark will get off the floor.

Its cause, not quite lost, is more important than any of the qualifying matches (including England vs. Turkey, Spain vs. Austria and Switzerland vs. Italy) across the continent.

Besides, Elkjaer is running himself into form. And his is among the deepest and oldest of motivations: He is one of nature's true competitors. He wouldn't want a European championship to take a player without him.

Pitching Gambles Help Twins Win World Series Trip



On three days' rest, Minnesota's Bert Blyleven, 36, went six innings to win the clincher.

Minneapolis: Delighted Disbelievers

MINNEAPOLIS — After two decades of watching Yankees, Orioles, Royals and other teams win pennants, thousands of Minnesota Twins fans celebrated a sight they thought they might never behold. "It's really hard to believe your own home team is going into the World Series," said Chris Peterson, 30, who was among approximately 50,000 fans who

came to the roof. "We didn't think the upper deck would fill up at all," said user Scott Bellefleur, turning back fan after fan looking for seats in his section. "This is great."

SCOREBOARD

Scoreboard table with columns for Football, Tennis Leaders, Baseball, and Hockey. Includes U.S. College Standings and Playoff Summary.



Center-forward Preben Elkjaer: On the ramp, undaunted.

NFL Union Suggests Strike Mediation

ROSEMONT, Ill. — For the second week in a row, the striking National Football League players union has come up with a plan that says avert the mass defections that had been predicted for this week. But once again the owners may get it, setting up a third week of times played by replacement players and those who choose to cross the picket line.

reporting date Wednesday as players face the prospect of losing their fourth paycheck of the season — one quarter of their yearly salary. Meanwhile, the owners are feeling pressure too. While Sunday's attendance was up from the first week of strike games, television ratings continued to decline. In overnight ratings from 15 cities, NBC and CBS had respective viewership declines of 13 and 14 percent from last week.

SPORTS BRIEFS

Tour de France Is Shortened for 1988 PARIS (Herald) — Limited by new international cycling rules on the duration of a race, the 1988 Tour de France will be one of the shortest in decades. The itinerary, announced in Paris on Tuesday, will cover 3,231 kilometers (2,003 miles) instead of the usual 4,100.

NBA Suns Ownership Changes Hands DALLAS (UPI) — The National Basketball Association's board of governors on Monday approved the sale of the Phoenix Suns to a group headed by the team's general manager, Jerry Colangelo, for a record \$44.5 million.

For the Record Joe Dadek ran for 128 yards and two touchdowns to lead the Broncos to a 30-14 National Football League victory over the Los Angeles Raiders Monday night; the crowd of 61,230 in Denver was the largest to attend a game so far during the player union strike.

Quotable Third baseman Gary Gaetti of underdog Minnesota, after the Twins beat Detroit in five games for the American League pennant: "Anything can happen in a short series, and you just saw it happen." (UPI)

College Top-20 Polls

Table showing College Top-20 Polls with columns for Rank, Team, and Points.

NFL Standings

Table showing NFL Standings with columns for Conference, Team, and Record.

Transition

BALTIMORE — Released Floyd Rawford, Baltimore Orioles coach; Fred Weaver, New York Yankees coach; and Terry Avila, Detroit Tigers coach; and Terry Avila, Detroit Tigers coach; and Terry Avila, Detroit Tigers coach.

Basketball

WASHINGTON, D.C. — Released Jerry Colangelo, Phoenix Suns owner; and Jerry Colangelo, Phoenix Suns owner; and Jerry Colangelo, Phoenix Suns owner.

Advertisement for Blancpain watches, featuring a large image of a watch face and the text 'BLANCPAIN' and 'HOROLOGISTS'.

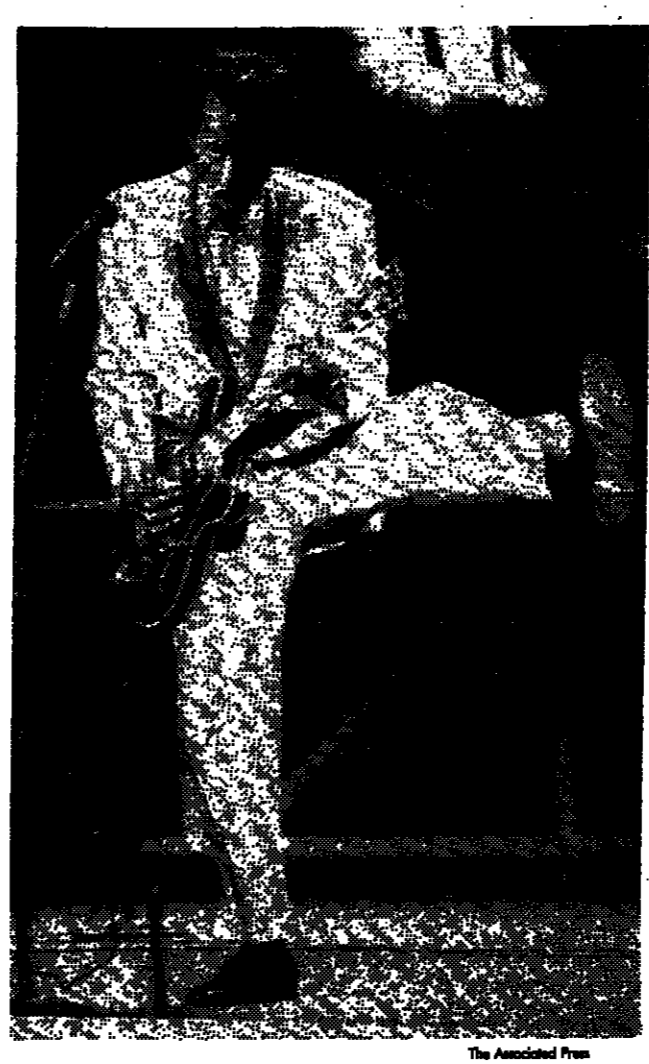
OBSERVER

Block That That Cursor

By Russell Baker
NEW YORK—The wonderful thing about writing with a computer instead of a typewriter or a lead pencil is that it's so easy to rewrite that you can make each sentence almost perfect before moving on to the next sentence.

By Richard Harrington
NEW YORK—Chuck Berry is between flights, between his hometown of St. Louis and Barcelona, where he will rock, roll and duck walk for a night and then fly home.

But don't call Berry the king of rock 'n' roll to his face. "What the heck is a king? I'm a cog in the wheel. My portion might have been greater than some other guys, but some other guys' I'm sure was greater than mine in some avenue. It's not me to toot my horn."



Chuck Berry at his 60th birthday celebration.

He was born in St. Louis in 1926, one of six children of Martha and Henry Berry. His father was a carpenter who also preached a little gospel, and he grew up in a stable family in a modest but comfortable black working-class neighborhood.

Working rock 'n' roll songs at 60 is a bit of a challenge, he admits. "It's difficult in a sense. I do not want to, and should not, write the same. It's been 30 years since I've written the songs that are now his. I'm much more mature and I have much more sense and I can't get in that frame of mind. I have to write along with the times."

PEOPLE

Cronkite Assails Redundancy
Then Tempers Remain
Walter Cronkite, the anchor man who has been a steady presence on the set of a delayed broadcast, and that there was no reason for forcing the network to go back for six minutes. "I can assure that in five words: I would not touch him."

When Ida Nudel, one of the Soviet Union's most celebrated refugees, arrives in Israel Thursday on industrialist Armand Hammer's plane, among those greeting her in her new homeland will be Jesse Fonda and her husband Tom Hayden. Nudel, 56, who had been struggling for 16 years to emigrate to Israel, will live there with her only living relative, her sister, Klara Friedmann. Fonda and Hayden were actively involved in attempting to persuade Soviet authorities to permit Nudel to emigrate. Nudel learned this month that she could join her sister in Israel.

TODAY'S INTERNATIONAL CLASSIFIED SECTION Appears on PAGE 20
BUSINESS OPPORTUNITIES
Investment Opportunity
OFFSHORE TAX SHELTER COMPANIES
Metulous Investment
BROKERS CAN EARN \$240,000 YEARLY
CLEAN WATER
UNIQUE OPPORTUNITY
OFFSHORE & UK LTD COMPANIES
BECOME A PART OF HISTORY

INTERNATIONAL BUSINESS MESSAGE CENTER
BUSINESS OPPORTUNITIES
BUSINESS SERVICES
FINANCIAL SERVICES
COMMERCIAL PREMISES
PRIME GUARANTEES
REPRESENTATIVE
VENUE CAPITAL CONSULTANTS
Lost Your Money?
Hard to Borrow?
THE FINANCIAL GUARANTY CORP.
BUSINESS SERVICES
BUSINESS COMMUNICATIONS
WANT TO BUY OR RENT
CANADIAN PAPER PRODUCTS
YOUR AMERICAN MICRO SYSTEMS
YOUNG BUSINESS OPPORTUNITIES
DOOR SECURITY

FINANCIAL INVESTMENTS
OFFICE SERVICES
RENT AN OFFICE AS EASY AS YOU RENT A HOTEL ROOM
EXECUTIVE FINANCE CO.
BEAT DJI BY 35%
PRIME FRANCE
YOUR OFFICE IN PARIS
OFFICES FOR RENT
AUSTRALIA
NEW ZEALAND